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**MONTEREY, CALIFORNIA**

## **THESIS**

**CARROTS OR STICKS?: LIBYA AND U.S. EFFORTS TO  
INFLUENCE ROGUE STATES**

by

Jamie Ann Calabrese

September 2004

Thesis Advisor:  
Second Reader:

Jeffrey W. Knopf  
James Russell

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ROGUE STATES**

Jamie Ann Calabrese  
Lieutenant, United States Navy  
B.A., Wake Forest University, 1996

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**NAVAL POSTGRADUATE SCHOOL  
September 2004**

Author: Jamie Ann Calabrese

Approved by: Jeffrey W. Knopf  
Thesis Advisor

James Russell  
Second Reader

James J. Wirtz  
Chairman, Department of National Security Affairs

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## **ABSTRACT**

Dramatic changes in the international system since the early nineties, namely the end of the Cold War and the post-9/11 ascendancy of the Bush Doctrine, have left many to wonder whether Cold War era influence strategies such as deterrence, compellence, and engagement are viable against new U.S. threats—rogue states. This thesis will examine U.S. efforts between 1986 and 2004 to convince Libya to cease its support for international terrorism and weapons of mass destruction (WMD). U.S. influence strategy towards Libya was a short term failure and a long term success. The compellence and deterrence policies established by President Reagan and strengthened by later administrations served to isolate Libya economically and diplomatically and set the conditions for successful conditional engagement. Positive behavior change by Libya began first with the Clinton Administration's introduction of conditional engagement. The Bush Administration, benefiting from years of Libyan isolation and the positive response to conditional engagement, continued to engage Libya in an incremental fashion. Libya renounced its terrorist ties in August 2003 and weapons of mass destruction in December 2003. Since then Tripoli has taken actionable steps to verify this change of policy and both governments are currently on course for reconciliation.

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## I. INTRODUCTION

The purpose of this thesis is to determine whether it is possible to successfully apply a behavior modification strategy to rogue states. The dramatic changes in the international system since the early nineties, namely the end of the Cold War and the more recent post-9/11 ascendancy of the Bush Doctrine, have left many to wonder whether Cold War era influence strategies such as deterrence, compellence, and engagement are viable against new threats. If these strategies are viable, how should they be used to influence the most immediate and pressing threats—rogue states trafficking in terrorism or weapons of mass destruction? This thesis will examine United States' efforts between 1986 and 2004 to convince Libya to cease its support for both international terrorism and the production of weapons of mass destruction (WMD). In this particular case the United States was attempting to convince the target state (Libya) to stop an action already underway (support for terrorism and production of WMD in existing facilities and with existing resources) and also deter future support and production. As such, U.S. influence strategy necessarily combined, at minimum, compellence, efforts to stop an action already underway, and deterrence, efforts to prevent future action. Additionally, and as will be demonstrated in the case study chapters, the Clinton and George W. Bush administrations also used positive incentives in a conditional fashion after Tripoli demonstrated a willingness to change its behavior.

### A. ROGUE STATES, TERRORISM AND WEAPONS OF MASS DESTRUCTION

Though there is not one accepted definition of a rogue state<sup>1</sup>, qualification for the designation generally includes the production or purchase of WMD and links to terrorist

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<sup>1</sup> In his book, *Rogue States and U.S. Foreign Policy*, Robert Litwak argues that the “rogue state” classification is highly political and has no basis in international law. More specifically, the categorization is an expression of U.S. political objectives and perceptions, and is a reflection of U.S. approaches to international relations. Quoting Alexander George, Litwak describes the rogue state categorization as being “employed by one or more great powers with a stake in the maintenance and orderly working of the international system.” Ultimately, he argues, the categorization has no objective criteria and has been demonstrated to cause disagreement between the U.S. and its allies. Robert Litwak, *Rogue States and U.S. Foreign Policy: Containment After the Cold War*, (Baltimore, Maryland: Johns Hopkins University Press, 2000), 47-48. Alexander George, *Bridging the Gap: Theory and Practice in Foreign Policy*, (Washington, D.C.: United States Institute of Peace Press, 1993), 48-49. Based on the Alexander George definition, it can be argued that however politically-charged the term may be, the concept of “rogue states” is a lens through which the U.S. government views a particular category of states within the international system. Since this thesis is written from the perspective of U.S. national security concerns and future policy-making, the term “rogue state” will be used with due consideration to reference and be consistent with the particular threat category articulated in the *National Security Strategy of the United States* (September 2002).

organizations.<sup>2</sup> Rogue state terrorist activities include condoning, funding, or participating in terrorism.<sup>3</sup> The U.S. government, arguably the largest proponent of the rogue state classification, defined the term in *The National Security Strategy of the United States of America* (September 2002). In keeping with the literature, this Bush Administration policy document identified rogue states as a unique threat to U.S. national security based primarily on WMD capabilities and links to terrorist organizations. In addition to describing the threat posed by rogue states, NSS 2002 also articulates the characteristics of those same states. Rogue states are described as nation-states that:

- Brutalize their own people and squander their national resources for the personal gain of the rulers;
- Display no regard for international law, threaten their neighbors, and callously violate international treaties to which they are a party;
- Are determined to acquire weapons of mass destruction, along with other advanced military technology, to be used as threats or offensively to achieve the aggressive designs of these regimes;
- Sponsor terrorism around the globe; and
- Reject basic human values and hate the United States and everything for which it stands.<sup>4</sup>

On several levels, then, rogues states pose a particular threat to U.S. interests and the international community at large. First, they reject international oversight and controls on WMD. Second, they have demonstrated a willingness to pursue the development and/or weaponization of weapons of mass destruction. Third, rogue states have links to terrorist organizations, be it in providing safe-haven for terrorist training and operations, or through financial support.

## **1. Terrorism**

The concept of terrorism is not new, and in this post-9/11 age has increasingly become part of the common parlance. To be clear, though, it may be helpful to review U.S. government definitions of terrorism, as these will be applicable to policy discussion

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<sup>2</sup> Raymond Tanter, *Rogue Regimes: Terrorism and Proliferation*, (New York: St. Martin's Griffin, 1999), vii-viii. Of note, Tanter also includes the third qualification of possessing large conventional forces.

<sup>3</sup> Ibid.

<sup>4</sup> President George W. Bush, *The National Security Strategy of the United States of America*, (Washington, D.C., Sep 2002), 13-14.

in the following chapters. Since 1983, the U.S. government has defined *terrorism* as “premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, usually intended to influence an audience.” The term “noncombatants” refers to civilians and unarmed or off-duty military personnel.<sup>5</sup> Further, *international terrorism* refers to terrorism “involving citizens of the territory of more than one country.” *Terrorist group* refers to “any group practicing, or that has significant subgroups that practice, international terrorism.”<sup>6</sup> *State sponsors of terrorism* are described as those that provide funding, weapons, materials, and/or social or political space for planning and conducting operations.<sup>7</sup> Of note is the fact that the U.S. government currently designates six countries as state sponsors of terrorism: Libya, Sudan, Cuba, North Korea, Syria, and Iran.<sup>8</sup>

The *National Security Strategy* of 2002 and other key documents such as the *National Strategy for Combating Terrorism* (Feb 2003) and *Patterns of Global Terrorism* clearly set forth the U.S. position and policy on terrorism. The United States considers terrorism one of the primary threats to its national security and many resources have been and will be allocated to prosecuting and ultimately bringing this worldwide problem under control. Instead of further discussion on the threat of terrorism, it may instead be more useful to briefly consider why rogue states use terrorism as a tool of their foreign policy. First, terrorism, much like weapons of mass destruction, can be viewed as an asymmetric tool at the disposal of rogue regimes. Though they may not maintain conventional forces sufficient to impact larger nation-states, terrorism provides a mechanism through which rogue states can affect other groups or states. Second, terrorism leaves an unclear calling card. Though it may be possible to determine what group perpetrated the act, it is sometimes more difficult to discern whether the act was facilitated by a state working through the terrorist group. This allows for some level of plausible deniability in the action—again allowing a rogue state to affect another state while maintaining some level of secrecy, however thin. Third, terrorism, as in the case of

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<sup>5</sup> The U.S. government definition above is based on Title 22 of United States Code. U.S. Department of State. *Patterns of Global Terrorism 2001*. (Washington, D.C., May 2002), xvi.

<sup>6</sup> Ibid.

<sup>7</sup> U.S. Department of State. *Patterns of Global Terrorism 2002*. (Washington, D.C., Apr 2003), 76.

<sup>8</sup> U.S. Department of State. *Patterns of Global Terrorism 2003*. (Washington, D.C., Apr 2004), 85-93.

Libya, may in fact be considered by the rogue state to be a legitimate ideological tool in support of a particular cause. For years Muammar Qadhafi sponsored insurgencies and various terrorist groups around the world in the furtherance of his particular brand of socialist, anti-imperialist revolution.<sup>9</sup>

## **2. Weapons of Mass Destruction**

The term “weapons of mass destruction” is generally applied to nuclear, biological and chemical weapons. While all WMD proliferation is considered undesirable, the U.S. government views potential proliferation to and from rogue states with particular concern.<sup>10</sup> The threat stems fundamentally from lack of transparency and uncertainty. Unlike other states that have agreed to and subsequently abide by international norms and agreements, such as the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons (CWC), states such as North Korea and Syria reject some international treaties and behave in ways that create strong suspicions about their compliance with others.<sup>11</sup> Further, these same states have been suspected of buying and selling weapons, specifically ballistic missile technology, which

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<sup>9</sup> Beginning in the late seventies, Qadhafi began exporting his revolutionary ideals in support of leftist, anti-Western movements in South and Central America. The laundry list of insurgent and militant groups supported by Qadhafi encompassed most of the Western hemisphere and included the Sandinistas in Nicaragua (including provision of weapons and terrorist training), M-19 guerillas of Colombia, Sendero Luminoso and Tupac Amaru Revolutionary Movement in Peru, and countless other groups in Ecuador, El Salvador, Guatemala, Honduras, Venezuela, Uruguay, Chile, Costa Rica, the Dominican Republic and throughout the Caribbean. Qadhafi even aligned himself with Syria and Iran during the Iran-Iraq war to coordinate both support for South Yemen, then a Soviet satellite, and anti-Israeli, anti-U.S. activities. Brian L. Davis, *Qadhafi, Terrorism, and the Origins of the U.S. Attack on Libya* (New York: Praeger, 1990), 18.

<sup>10</sup> Disagreement exists over whether biological, chemical, and nuclear weapons should all three be included under the rubric of “WMD.” Wolfgang Panofsky argues that linking biological and chemical weapons with nuclear weapons under the category of “WMD” diminishes the primacy of the nuclear threat, which should have priority in U.S. security issues; “Dismantling the Concept of ‘Weapons of Mass Destruction’,” *Arms Control Today* (April 1998); available from [http://www.armscontrol.org/act/1998\\_04/wkhp98.asp](http://www.armscontrol.org/act/1998_04/wkhp98.asp); accessed 25 November 2003. The author will use “WMD” in a general sense to refer to biological, chemical, and nuclear weapons because it is consistent with the commonly held meaning of the acronym “WMD” and also because biological and chemical weapons are arguably maintained by states who cannot afford or have not yet developed nuclear weapons for the same purposes that other states maintain nuclear weapons. See Alan Dowty, “Making ‘No First Use’ Work: Bring all WMD Inside the Tent,” *The Nonproliferation Review* (Spring 2001), 80.

<sup>11</sup> Treaty on the Non-Proliferation of Nuclear Weapons (NPT); Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (CWC). North Korea withdrew from the NPT in January 2003, has never signed the CWC, and acceded to the Biological and Toxin Weapons Convention (BTWC) in Mar 1987. Syria ratified the NPT in September 1969, has not signed the CWC, and signed the BTWC in April 1972. *Inventory of International Nonproliferation Organizations and Regimes*; available from <http://cns.miis.edu/pubs/inven/pdfs/npt.pdf>; accessed 4 November 2003.

could be configured to deliver WMD.<sup>12</sup> In any case, because these states largely reject international norms and effective controls on their WMD and because they maintain a historical tendency to trade in possible WMD delivery technologies, uncertainty over their willingness to employ or sell WMD to others remains a factor in the international system.

Robert Art, in his writing on the strategy of selective engagement, argues that the coupling of rogue states, terrorists, and WMD is one of the greatest threats to the United States.<sup>13</sup> He argues that the proliferation of WMD is inherently bad for the following two reasons. First, as WMD materials proliferate, so does the potential for other rogue states and/or terrorists to gain access to those materials. Second, WMD in the hands of rogue states may mistakenly embolden their leaders to strike out against U.S. interests.<sup>14</sup>

Given the threat that rogue states pose, it is important that the United States be able to successfully influence rogue state behavior. In a best-case scenario, a successful influence strategy could make it unnecessary for the United States to resort to war and its associated costs and risks to influence international outcomes. It is, therefore, within the U.S. national interest to maintain an ability to influence rogue state behavior.

## **B. MAJOR QUESTIONS AND ARGUMENT**

In the largest context, this thesis seeks to join the debate over which strategies are best to affect state policies that pose threats to U.S. national security. Among the spectrum of competing strategies aimed at influencing another state's behavior are engagement, reassurance, dissuasion, deterrence, compellence, and pre-emptive or coercive war. There is debate in the literature as to the continued relevance of some of these strategies in the post-Cold War international system. Deterrence strategy, steeped in Cold War paradigms, was shaped by the need to prevent a U.S.-Soviet nuclear exchange. Coercive diplomacy, a frequently used form of U.S. compellence strategy,

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<sup>12</sup> It is the CIA's assessment that North Korea has "demonstrated a willingness to sell complete [ballistic missile] systems and components" to other states. Furthermore, the CIA assesses that the export of ballistic missiles and related weapons technologies are one of the primary sources of hard currency for the Kim Chong Il regime. *Attachment A: Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January Through 30 June 2003*; available from [http://www.odci.gov/cia/reports/721\\_reports/jan\\_jun2003.htm#5](http://www.odci.gov/cia/reports/721_reports/jan_jun2003.htm#5); accessed 10 November 2003.

<sup>13</sup> Robert J. Art, "Geopolitics Updated: The Strategy of Selective Engagement," in *Strategy and Force Planning*, ed. Strategy and Force Planning Faculty (Newport, RI: Naval War College Press, 2000), 188.

<sup>14</sup> *Ibid.*, 190-191.

though considered highly flexible, has an assessed success rate of only 32%.<sup>15</sup> Engagement, often mistakenly equated with appeasement in the minds of policy makers, is many times avoided as viable influence strategy. Given this concern over the relevance of deterrence and the effectiveness of compellence and engagement, this thesis seeks more specifically to determine whether these three are strategies that successfully influence rogue state behavior with respect to terrorism or weapons of mass destruction production.

To answer the proposed research question, this thesis will examine U.S. efforts to influence rogue state behavior through four different U.S. presidential administrations. In the four case studies, the United States attempted to influence Libya to two outcomes: first, the cessation of their support for international terrorism, and second, the cessation of any existing production of WMD. An assumption of this thesis is that given the interest the United States has very clearly demonstrated in countering both terrorism and the proliferation of WMD, their intent with Libya was not singularly to have Tripoli cease current support for terrorism or production of WMD; rather, implicit in and included in the compellence message was deterrence of future support of terrorism or production of WMD.

The Libya case was selected for a variety of reasons: (1) Libya fits the rogue state profile articulated by the United States and has been treated as such through multiple U.S. presidential administrations; (2) Tripoli was actively engaged in behavior that was a clear threat to the United States, namely ideologically-based terrorism against U.S. persons and interests; (3) in the midst of supporting terrorism, Libya established a chemical weapons program; (4) the period in which the United States applied an influence strategy against Libya spans multiple U.S. administrations, specifically those of Presidents Ronald Reagan through George W. Bush—allowing for analysis of the influence exchange of an extended period of time; and (5) the U.S. policy toward Libya was both successful and unsuccessful. In the short-term, the U.S. was not able to stop Libya from supporting international terrorism or building up a chemical weapons capability. In the longer term, however, Tripoli denounced their support for terrorism and the production and

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<sup>15</sup> Robert J. Art, *The United States and Coercive Diplomacy*, (Washington D.C.: United States Institute of Peace Press, 2003), 387.

proliferation of WMD. This contrast makes it possible to compare different time periods with different results.

This thesis will demonstrate that the U.S. applied a strategy of compellence, deterrence and engagement against Libya. After a period of time during which the primary strategy was deterrence and compellence, this strategy was seasoned lightly with positive incentives. Engagement, or the use of positive incentives, began during the Clinton Administration and continued selectively, and only after signs of willingness to change on the part of Qadhafi, with the George W. Bush Administration. By 19 December 2003, 18 years after the establishment of U.S. economic sanctions, the Libyan government had renounced their support of both terrorism and WMD. Furthermore, since the December 2003 announcement, the Libyan government has taken viable steps to demonstrate their commitment to this decision, and their actions have been met with U.S. and international rewards.

Chapter II will provide a comprehensive literature review of the major influence theories encountered in this thesis as well as establish a methodological foundation for analysis. Chapters III through VI will analyze U.S. policy by presidential administrations (1986-2004), examining the influence exchange between the U.S. and Libyan governments to determine what kind of strategy was applied and whether it was successful or unsuccessful. In evaluating the role of U.S. policy in the behavior change, chapter VII will examine other factors besides the U.S. influence strategy which may have contributed to Tripoli's behavioral change. These factors may include, among others, the application and effectiveness of UN sanctions, ideological change in the world political system, and domestic (Libyan) political factors. Finally, this thesis will conclude with recommendations for future U.S. policymaking.

As will be demonstrated in the next few chapters, U.S. compellence and deterrence policy was strengthened by the application of UN sanctions. Together the combined sanctions set the conditions for Tripoli's behavior change. Substantive changes in Libyan policy regarding terrorism and weapons of mass destruction did not begin, however, until the U.S. began a policy of limited and incremental conditional engagement. Future policymakers should take from this case study an understanding that

punitive measures such as sanctions, especially when backed by the international community, can be successful in achieving a limited goal of diplomatic and economic isolation. However, punitive measures alone may not be sufficient to facilitate recognizable and concrete behavior change in a target state. As this case demonstrates, when the right conditions have been established through punitive measures like sanctions, positive incentives offered in a conditional and incrementalized fashion can both build trust between the influencing and target state and move the target state towards committed and concrete behavior change.



## II. LITERATURE REVIEW

To begin to answer the research question established in chapter I and to establish a solid methodological framework for the thesis, it is necessary to first review the existing literature on influence strategies, namely deterrence, compellence and engagement. Some of the questions that will be answered in this chapter are: What are deterrence, compellence, and engagement? How do we determine when one of these influence strategies is being applied to a nation-state? How do we evaluate success and failure for these strategies?

### A. DETERRENCE

The concept of deterrence can be viewed as both a cost-benefit analysis and as a language communicated between at least two actors. Both of these perspectives on deterrence are essential to deterrence as a type of strategic influence strategy and both will be considered in this thesis.

In their book *Deterrence in American Foreign Policy: Theory and Practice*, Alexander George and Richard Smoke describe the basic cost-benefit analysis of the model of deterrence. In this case, deterrence works when the adversary, or target state,<sup>16</sup> determines that its costs plus risks of a potential action outweigh the benefits or advantages of that action. Mathematically, the model would look like this:

$$C+R>B, \text{ where } C=\text{cost}, R=\text{risk}, \text{ and } B=\text{benefits}.^{17}$$

In theory, a deterrence strategy should be aimed at increasing the perceived aggregate costs to the target state by increasing the probability of influencing state<sup>18</sup> action (punitive action, usually in the form of military force).<sup>19</sup>

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<sup>16</sup> There are multiple terms used in the literature to describe the two states involved in a deterrence or compellence situation. Heretofore, and for the purposes of remaining as objective as possible in this analysis, the term *influencing state* will be used to describe the state that applies a strategy of deterrence or compellence and the term *target state* to describe the state against which the strategy is being applied.

<sup>17</sup> Alexander George and Richard Smoke, *Deterrence in American Foreign Policy: Theory and Practice* (New York: Columbia, 1974), 60.

<sup>18</sup> See note 1.

<sup>19</sup> Though deterrence by denial is a viable deterrence strategy, this thesis will concentrate on deterrence by threat of punishment, be it diplomatic, economic, or military force.

In addition to the cost-benefit nature, deterrence is also a language communicated between states or actors. In this case, it is critical that the costs of a certain action (C+R) be communicated successfully and completely from one state to another. In deterrence literature, there are four elements considered requisite to successfully applying a deterrence strategy to a challenger. Lebow and Stein articulate these four elements as defining the unacceptable behavior, signaling publicly a willingness to punish or restrain the target state for the action, demonstration of a commitment to take action, and finally the maintenance of some level of capability to actualize the threatened punishment.<sup>20</sup> Through these four elements, an influencing state determines its position and communicates that position to the target state. As will be discussed below, these four elements are significant enough that Lebow and Stein use them as criteria to determine if an influencing state used deterrence in a particular situation.<sup>21</sup>

### **1. Types of Deterrence**

There are multiple types of deterrence and a brief evaluation of those types is warranted. *Deterrence*, as defined above, is a cost-benefit analysis that is communicated from one state to another in an effort to prevent a certain course of action. Though it is frequently used in a security context to refer to military actions or deployments, it can also be used to refer to a particular behavior outside the scope of use of conventional military forces that threatens or is perceived as threatening another state's national security.<sup>22</sup> Deterrence can be categorized as general deterrence, immediate deterrence, extended deterrence, or direct deterrence. In this case, *general deterrence* is a reflection of the power relationships between target state and influencing state such that one or both is preventing military aggression from the other. An example of this kind of deterrence would be the U.S.-U.S.S.R relationship during the cold war and the effort on both sides to prevent nuclear exchange. *Immediate deterrence* occurs when a state challenges another state's established commitment to a particular course of action. An example of this is U.S. efforts in 1962 to prevent further emplacement of Soviet ICBMs in Cuba. *Extended deterrence* involves three actors, attacker (target state), protégé, and influencing state,

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<sup>20</sup> Richard Ned Lebow and Janice Gross Stein, "Deterrence: The Elusive Dependent Variable," *World Politics* 42, Issue 3 (Apr 1990): 344. Also, John Orme, "Deterrence Failures: A Second Look," *International Security* 11, Issue 4 (Spring 1987): 96.

<sup>21</sup> Lebow and Stein, 344.

<sup>22</sup> *Ibid.*, 336.

where the influencing state attempts to prevent the target state from moving against the protégé state.<sup>23</sup> The most obvious example of this is U.S. efforts to prevent an attack by mainland China on Taiwan. Finally, *direct deterrence* seeks to prevent an attack on the influencing state's homeland.<sup>24</sup> A recent example of direct deterrence is the George W. Bush Administration's efforts to deter a terrorist attack on the U.S. homeland by threatening state sponsors of terrorism.

## **2. Complexities in Analyzing Cases of Deterrence**

Despite what Achen and Snidal call the "logical cohesion" of rational deterrence theory as well as its historical record of guiding U.S. foreign policymaking, much has been written about the complexities of analyzing cases of deterrence.<sup>25</sup> There are a few complexities in particular that must be discussed here, as they will provide the methodological framework for evaluating the case studies in this thesis. The two complexities to be discussed are determining intentions of the actor-state (be it the target or influencing state) and evaluating deterrence success and failure.

### **a. Determining Intentions**

Determining intentions of the actors in a deterrence situation is important both to proving deterrence was applied in a particular situation and in evaluating the relative success of the strategy. Intention here refers to the target state's intent to attack, or take a particular action, and the influencing state's attempt to deter that action. There is disagreement in the literature about how to determine a state's intention in an encounter. For example, Huth and Russett see indicators such as deployment of military forces as expressing a state's intent to act in a hostile manner. Lebow and Stein disagree, arguing that there are reasons other than offensive operations for which a state will

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<sup>23</sup> Paul Huth and Bruce Russett, "What Makes Deterrence Work? Cases from 1900 to 1980," *World Politics* 36, Issue 4 (Jul 1984): 496. Huth and Russett describe this protégé or third party state as "an ally, a client state, or a friendly neutral."

<sup>24</sup> Lebow and Stein articulate these distinctions in deterrence, 336.

<sup>25</sup> Christopher H. Achen and Duncan Snidal, "Rational Deterrence Theory and Comparative Case Studies," *World Politics* 41, Issue 2 (Jan 1989): 144, 153. Also, Lebow and Stein provide an excellent review of the many complexities and challenges to analyzing the application of deterrence theory. Their list includes: the importance of examining all deterrence situations from the perspective of each actor-state, as each will have different role-perceptions which will effect how they perceive others and act on those perceptions; the importance of understanding the context in which deterrence takes place, including both the immediate situation and the historical relationship between the actors involved; the robust data requirements to determine an actor-state's intent; and a tendency on the part of the analyst toward bias in selection of deterrence cases to examine and the designation of deterrence roles (influencing state vs. target state), 342-355.

deploy its military.<sup>26</sup> Lebow and Stein argue further that for a case to be considered a deterrence encounter there must be evidence to prove that the attacker intended to attack and the defender attempted to defend. They admit that this criterion is rigorous and that in the case of the target state, evidence of intent to attack may not be available or that the policymakers themselves may not have been certain during the situation what course of action they would have taken.<sup>27</sup> Lebow and Stein do, however, list the criteria for evidence that an influencing state attempted to deter action by the target state; these criteria are the same four deterrence elements listed above: identification of unacceptable behavior, public signaling of commitment to punish the target state, demonstration of resolve, and credible capability to enact the threatened punishment.<sup>28</sup>

As previously discussed, though much of deterrence literature is applied in a specific military context, it is equally applicable in the cases examined here as an effort of one state to influence the action of another in the interest of the former's national security. A summation of the methodological choices will follow the discussions of compellence and engagement.

***b. Evaluating Deterrence Success and Failure***

As previously mentioned, establishing the intention of the target state and influencing state is important in evaluating the relative success of the deterrence strategy. Again there is disagreement in the literature over what constitutes deterrence success and failure. Huth and Russett argue that absence of attack, or the target state not taking the action being deterred, does not equate to deterrence success.<sup>29</sup> Again they return to the concept of intention and the importance of establishing how the state intended to act to determining deterrence success or failure. They provide several reasons other than successful deterrence by the influencing state to explain why an attack may not take place, including a change in priority by the decision-maker or a change in the actual decision-maker.<sup>30</sup> Huth and Russett conclude, however, that where deterrence takes place and is successful it is primarily due to the threat communicated by the influencing

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<sup>26</sup> Lebow and Stein also argue that the historical record also supports this argument, 342.

<sup>27</sup> Ibid., 343.

<sup>28</sup> Ibid., 344.

<sup>29</sup> Huth and Russett, 497.

<sup>30</sup> Ibid., 497.

state.<sup>31</sup> In cases of deterrence failure, Huth and Russett point to several possible explanations, all of which can be viewed from the perspective of both target state and influencing state: misperception of the deterrent threat (did the influencing state communicate the threat succinctly and did the target state understand the threat?), credibility of the threat (did the influencing state pose a credible threat and did the target state believe the threat to be credible?), cost-benefit analysis of the action (did the influencing state make clear the costs and risks associated with the challengers action outweigh the benefits and did the target state consider the cost plus risk to be more than the benefit of taking the action?). Lebow and Stein view deterrence failure as occurring when either the target state commits the action being deterred or when the target state persuades the influencing state to give up its commitment to a certain course of action.<sup>32</sup> Lebow and Stein return to intention to determine deterrence success, arguing that the analyst must prove a target state considered a course of action but was convinced by the influencing state's threat to change that course of action.<sup>33</sup>

With respect to deterrence success and failure in the case of rogue states, Robert Art argues that rogue states in particular may be more difficult to deter than other nation-states. He provides the following reasons for this difficulty: rogue states are highly motivated to achieve their objectives, making them more inclined to use force to ensure particular outcomes; rogue states are less inclined to be moved by the suffering of their populace or others in the face of the perceived benefit of achieving their objectives; and finally, rogue states are prone to misperceive or ignore another state's threats.<sup>34</sup> In particular, if rogue states view asymmetric tactics and capabilities, such as terrorism and WMD, as central to their overall political strategy they will both be hard to deter and more willing to use those same weapons.<sup>35</sup> If rogue states are indeed more difficult to deter, for these reasons or others, then the influencing state may experience a higher rate of deterrence failure. In any case, the importance of influencing rogue state behavior with respect to weapons of mass destruction in particular can not be underestimated. As

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<sup>31</sup> Ibid., 497.

<sup>32</sup> Lebow and Stein, 344.

<sup>33</sup> Ibid., 345.

<sup>34</sup> Art, 2000, 188-189.

<sup>35</sup> Ibid., 189.

previously discussed in chapter I, rogue states may maintain ideological and other links to terrorist organizations. These same states, furthermore, are often assessed as a potential link in the chain of terrorist acquisition of WMD. Convincing them to cease production and proliferation may prevent an even more difficult or perhaps impossible influence exchange—deterring terrorist use of WMD. Art argues that though it may be challenging to successfully deter rogues states, it is even more difficult to deter terrorists. Furthermore, deterring terrorists becomes all the more critical as data indicates an increase since 1980 in the numbers of lethal, mass casualty-oriented terrorist attacks.<sup>36</sup> “Deterring terrorists becomes nearly impossible if they are hell-bent only on revenge. In that case they have no need to identify themselves, and if there is no return address, there is no chance for retaliation. Deterrence, after all, is the threat to retaliate.”<sup>37</sup>

## **B. COMPELLENCE**

In contrast with deterrence, which tries to influence a target state to *not* take a particular course of action, compellence seeks to influence a target state to *take* an action. Based on the initial work of Thomas Shelling and later Alexander George and Robert Art, compellence is generally understood to be a behavior-modification strategy that attempts to persuade a target state to take a particular course of action, often in reference to “an encroachment already undertaken.”<sup>38</sup> More specifically, the influencing state is attempting to persuade the target state to: (1) take a course of action not currently being taken, (2) stop taking a course of action currently underway, or (3) undo or reverse a course of action.<sup>39</sup> In each case, the target state is being persuaded to take some kind of action that will change the status quo.

In the literature, the concept of compellence is often used interchangeably with coercion or coercive diplomacy and, given the connotations of those terms, it is important to understand that compellence and coercive diplomacy do not rely strictly on military force to achieve behavior modification. Robert Art, in his book *The United States and*

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<sup>36</sup> See Bruce Hoffman, “Terrorism and WMD: Some Preliminary Hypothesis,” *The Nonproliferation Review* (Spring-Summer, 1997): 45, 48.

<sup>37</sup> Art, 2000, 190.

<sup>38</sup> Alexander George, *Forceful Persuasion: Coercive Diplomacy as an Alternative to War*, (Washington D.C.: United States Institute of Peace Press, 1991), 5.

<sup>39</sup> (1) and (2) from Art, 2003, 7-8; (2) and (3) from George, 1991, 6.

*Coercive Diplomacy*, describes coercion as including a spectrum of influence-leveraging that ranges from positive inducements to coercion without the use of force (economic sanctions) to full-scale war.<sup>40</sup> Alexander George concurs, emphasizing the role of persuasion over “bludgeoning” in the use of compellence and as such the use of appropriate mechanisms to persuade:

Coercive diplomacy seeks to persuade the adversary to cease its aggression rather than bludgeon him with military force into stopping...Threats or quite limited use of force are closely coordinated with appropriate diplomatic communications to the opponent. Important signaling, bargaining, and negotiating components are built into the strategy of coercive diplomacy.<sup>41</sup>

Both Art and George highlight *coercive diplomacy* as a type of compellence strategy historically used by the United States in its efforts to effect behavior change in other states. The concept of coercive diplomacy includes, at minimum, the *threat of use* or *the limited use of force*.<sup>42</sup> Of note, both George and Art allow for the use of positive inducements and assurances in conjunction with the use of force during coercive diplomacy.<sup>43</sup> In fact, the use of positive inducements in conjunction with force can enhance the overall effectiveness of a coercive diplomacy strategy, “...what the threatened stick cannot achieve by itself, unless it is a very formidable one, may possibly be achieved by combining it with a carrot.”<sup>44</sup> It is important to note that though coercive diplomacy can include positive inducements and other influence-leveraging tactics, it relies fundamentally upon the threat and/or use of force to achieve its outcomes.

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<sup>40</sup> Robert J. Art, *The United States and Coercive Diplomacy*, (Washington D.C.: United States Institute of Peace Press, 2003), 6-7.

<sup>41</sup> Alexander George, “Foreword” in Art, 2003, vii.

<sup>42</sup> Art defines *threat of force* as involving actions that enhance the credibility of the influencer’s rhetoric. Actions may include mobilizing and deploying military forces or simply issuing verbal warnings. Limited war here can mean either “exemplary use of force” or “limited use of force” as defined on pages 9-10. *Exemplary force* is usually a one-time demonstration of force that actualizes the seriousness of the influencer’s threat of force. *Limited force* is an escalation from exemplary force and may involve the use of force up to the “boundary” to war. Also, Art distinguishes between *coercive diplomacy* and *coercive attempts*. The former includes at minimum the threat of use or the limited use of force; the latter includes the use of influence levers that do not involve force, for example only using economic sanctions, or only withholding some benefit from the target state, 2003, 7.

<sup>43</sup> *Ibid.*, 7.

<sup>44</sup> George, 1991, 11.

Art's work in the above mentioned book is in many ways a continuation of George's research on the relative success of U.S. attempts at coercive diplomacy. Collectively the two authors examine twenty-two cases of U.S. coercive diplomacy between 1930 and 2001 and conclude that coercive diplomacy consistently fails more often than it succeeds.<sup>45</sup>

### **1. Deterrence and Compellence**

As previously established, deterrence and compellence are distinctly different influence strategies. Deterrence seeks a continuation of the status quo in that it seeks to persuade the target state to not take a particular action. Compellence on the other hand seeks to persuade the target state to take a particular action. According to Huth and Russett, in a traditional deterrence situation, deterrence is the strategy applied prior to the commencement of any military action between states. Once military action has been initiated by the target state (classic deterrence failure), the influencing state's strategy turns from deterrence to compellence, or the use of force to stop an action already underway.<sup>46</sup>

Though different in their intended outcomes, both influence strategies typically rely on force to achieve their purposes. Deterrence and compellence both threaten the use of force yet only in cases of compellence is the limited use of that force considered a success of the strategy. Furthermore, deterrence situations can become compellence situations in two cases. First, if deterrence fails and the target state takes the action being deterred, the influencing state can either concede (risking the loss of credibility) or use force to back up the original deterrent threat. If the influencing state chooses the latter option, the deterrence threat becomes a compellence situation involving the use of force. Second, an influencing state may choose to strengthen a deterrence threat by a limited use of force. In this case, a deterrence situation becomes a coercive situation for the purpose of strengthening the deterrent threat.<sup>47</sup>

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<sup>45</sup> Art concludes that in their combined twenty-two case studies spanning seventy years of U.S. compellence history that coercive diplomacy has been successful in only 32% of cases in which it is used. Coercive diplomacy fails in 45% of cases, has ambiguous results 14% of the cases, and has mixed results 9% of the cases, 2003, 12.

<sup>46</sup> Huth and Russett, 498.

<sup>47</sup> Art, 2003, 8.



A critical similarity between deterrence and compellence is that they both assume rationality on the part of the influencing and target states.<sup>48</sup> Specifically, there is an assumption that the target state will accurately perceive the threat and attempt to weigh the costs and benefits of the targeted action. This is arguably one of the greatest weaknesses of these two influence strategies and may be particularly problematic for the successful application of these strategies to rogue states. In her case study of the U.S. deterrence and compellence strategies applied to Iraq in 1990-1991, Janice Gross Stein argues the United States crafted a textbook compellence strategy that ultimately failed due to the “strategic judgments” of Saddam Hussein. She concludes that an effective strategy on the part of the influencing state is only one half of the equation: “An effectively designed strategy is a necessary but insufficient component of successful crisis prevention and management.”<sup>49</sup> To be successful, a deterrence or compellence strategy must be both effectively crafted by the influencing state and correctly perceived by the target state.

## **2. Communicating Compellence**

As with a deterrence encounter, coercive diplomacy requires communication between the influencing state and the target state. According to George, a compellence encounter involves both *words* and *actions*. Depending on how they are used together, words and actions can work together to provide credibility for the threat and to clarify the influencing state’s resolve. Words include “verbal messages to the opponent” such as the various types and levels of ultimatums.<sup>50</sup> Actions include “significant nonverbal communications or signaling” through movement of military forces and other diplomatic-political actions.<sup>51</sup> George concludes that though the coupling of words and actions is highly situation dependent, their use is critical to the outcome of a coercive diplomacy situation.<sup>52</sup>

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<sup>48</sup> George, 1991, 4.

<sup>49</sup> Janice Gross Stein, “Deterrence or Compellence in the Gulf, 1990-91: A Failed or Impossible Task?,” *International Security* 17, No. 2 (Autumn, 1992): 177.

<sup>50</sup> George describes four types of ultimatums; decreasing in intensity of demand, urgency, and threat, they include the full-fledged ultimatum, the tacit ultimatum, the “try-and see-approach,” and the “gradual turning of the screw.” See George, 1991, 7-9.

<sup>51</sup> *Ibid.*, 9.

<sup>52</sup> *Ibid.*, 10.

### 3. Evaluating Compellence Success and Failure

Like deterrence, the success of compellence depends largely on two central elements: (1) the ability of the influencing state to communicate effectively and credibly to the target state the costs and risks of either taking or not taking a particular course of action, and (2) the ability of the target state to rationally conduct a cost-benefit analysis and decide in a benefit-maximizing way. Beyond this theoretical similarity, compellence is generally held in the literature to be more difficult than deterrence. Robert Art provides four primary reasons why it is difficult to successfully use coercive diplomacy and subsequently why compellence is prone to failure. First, as mentioned above, compellence is held to be more difficult than deterrence. The reason for this is that in deterrence, the target state is being influenced to *not take an action*, whereas in compellence, the target state is being influenced to *take an action*. Art notes that in a deterrence situation, the target state can comply with the influencing state's demand and still save face by virtue of plausible deniability (target state claims to have never intended to change status quo in the first place) or by appearing to ignore the influencing state's threat while not changing the status quo. This same prestige saving on the international stage is not possible with compellence "because overt submission is required."<sup>53</sup> Second, coercive diplomacy is inherently a risk strategy, promising future punishment for the target state in the absence of compliance with the influencer's demands. Risk strategies are problematic because they require the target state to determine that the cost of the future punishment outweighs the current benefits of the action. In addition to being difficult to create a sufficiently bad future threat in the mind of the target state decision makers, humans tend cognitively to "discount the future" and value the present more.<sup>54</sup> Furthermore, risk strategies tend to be applied incrementally, resulting in the unintended consequences of allowing the target state to adjust to the punishment and garner public support for resisting the influencer's demand.<sup>55</sup> Third, coercive diplomacy is difficult because it is hard to estimate the level of resolve of either state and this resolve ultimately

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<sup>53</sup> Art, 2003, 362.

<sup>54</sup> Ibid., 362-364.

<sup>55</sup> Ibid., 363.

may change during the course of the engagement between the two states. Finally, credibility and power issues are at stake for the target state in a compellence situation. Acquiescing to the influencing state's demands may cause a loss of power and credibility in the target state by resulting in more demands or encouraging other states to make demands on the target state. The target state's decisions may influence its reputation and bargaining position in future foreign policy situations.<sup>56</sup>

Though compellence is considered more difficult than deterrence, and though coercive diplomacy statistically results in failure more often than success, George and Art both identify conditions under which coercive diplomacy can be successful. The seven conditions that contribute to the success of coercive diplomacy are:

- Influencing state's clarity in defining the objective being sought.
- Influencing state's determination to act.
- Asymmetry of motivation, or greater motivation to prevail by the influencing state when compared to the target state's motivation to resist.
- Influencing state's communicated sense of urgency for compliance by the target state.
- Adequate domestic and international support for influencing state.
- Target state's fear of unacceptable escalation.
- Clarity concerning the precise terms of settlement of the crisis.

George argues that the most critical of these conditions are those that deal with the target state's perception of the crisis situation: asymmetry of motivation in favor of the influencing state, fear of unacceptable escalation, and time urgency for compliance.<sup>57</sup> Of note, the corollary to this emphasis on the perception of the target state is the potential for misperception and irrationality to interfere with the conditions being set forth by the influencing state, and ultimately cause the failure of coercive diplomacy.<sup>58</sup> Though the influencing state cannot completely control the misperception and miscalculation on the part of the target state, to maximize the potential for successful compellence, the

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<sup>56</sup> Ibid., 366.

<sup>57</sup> George, 1991, 81. Art argues the two most critical conditions for successful coercive diplomacy are the target's fear of unacceptable escalation and the asymmetry of motivation in favor of the influencing state, 2003, 371-372.

<sup>58</sup> George, 1991, 81.

influencing state's decision makers should emphasize the three perception-oriented conditions above.

### C. ENGAGEMENT

In his book, *Threats and Promises: The Pursuit of International Influence*, James W. Davis argues that for too long influence theory has focused on deterrence and the use of threats as the ultimate tool of inducing state behavior change. Instead, a wider theory of influence is needed that incorporates promises where appropriate. In making the distinction between threats and promises, he and others have argued that influence strategy, to be successful, must be tailored to the *motivations of the target state*: target states motivated by aggression or the desire for gain tend to be best influenced by threats (deterrence and compellence), target states attempting to avoid loss, or vulnerabilities, are the most difficult to deter and are best influenced by assurances or promises (engagement).<sup>59</sup> This tendency is summarized in the illustration below.<sup>60</sup>

		<i>Target State's Motivation</i>	
		Gain	Avoid Loss
<i>Influencing State's Tools</i>	Threats	Restraint	Risk-taking behavior
	Promises	Increased Demands	Restraint

Figure 1. [Motivation Matrix (After: Matrix)]

The use of threats against a target state who is motivated by the desire to avoid loss can cause the target state decision-maker(s) to take increased risks in their foreign policy behavior, thus leading to a spiral toward unacceptable consequences for both states. Likewise, the use of promises to influence a state motivated by the desire to gain tends to lead to increased demands by the target state and temporary or no change of behavior.<sup>61</sup>

<sup>59</sup> James W. Davis, *Threats and Promises: The Pursuit of International Influence*, (London: Johns Hopkins University Press, 2000), 5. Also, Kenneth Watman and Dean Wilkening, *U.S. Regional Deterrence Strategies*, (Santa Monica, CA: RAND, 1995), ix.

<sup>60</sup> Table a modification of that presented by Davis, 5-6.

<sup>61</sup> Ibid.

Given this need for an examination of the role of promises in state behavior change, it is necessary to examine a third influence strategy that emphasizes positive inducements or incentives—*engagement*. In their book *Honey and Vinegar: Incentives, Sanctions, and Foreign Policy*, Haass and O’Sullivan define engagement as an influence strategy that leverages positive incentives to induce behavior change in a target state.<sup>62</sup> Though this strategy can, like deterrence or compellence, be used in isolation, it may also be used to complement other strategies by providing “carrots” that catalyze behavioral change in the target state. Their overall conclusion is not that engagement should be used more frequently, rather that it should be given due consideration among other influence strategies and applied in situations where it is the best option for the influencing state.<sup>63</sup>

There are two primary types of engagement: unconditional and conditional. *Unconditional engagement* offers positive incentives with no requirement for reciprocal or responsive actions on the part of the target state.<sup>64</sup> Often, unconditional engagement is used to lay the groundwork for future influence opportunities. In these cases, if the target state responds favorably to the unconditional engagement, then cooperation between the states ensues. If the target state ignores the inducement, then future influence efforts are modified accordingly, typically resulting in the cessation of positive incentives.<sup>65</sup> Unconditional engagement may also include positive incentives offered to the target state’s civil society, as often undertaken by Nongovernmental Organizations (NGOs). As previously mentioned, the intent in using unconditional engagement is to facilitate future cooperation and state-to-state engagement. For example, efforts by NGOs such as the National Endowment for Democracy that facilitate growth of democratic institutions in a target state are beneficial to long-term U.S. influence efforts.<sup>66</sup> *Conditional engagement* requires reciprocal and usually prescribed responses from the target state. A recent example of conditional engagement was the Agreed Framework negotiated between the United States, North Korea, and several other states in 1994 in which Pyongyang agreed

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<sup>62</sup> Richard N. Haass and Meghan L. O’Sullivan, *Honey and Vinegar: Incentives, Sanctions, and Foreign Policy*, (Washington, D.C.: Brookings Institution Press, 2000), 2.

<sup>63</sup> *Ibid.*, 160.

<sup>64</sup> *Ibid.*, 4.

<sup>65</sup> *Ibid.*

<sup>66</sup> *Ibid.*, 5.

to cease production of nuclear materials in exchange for crude oil and other energy securities.<sup>67</sup>

Haass and O’Sullivan list four primary types of engagement: economic, political, military and social/cultural. Further they comprehensively list examples of these four types of engagement (*italics added*):

*Economic engagement* might offer tangible incentives such as export credits, investment insurance or promotion, access to technology, loans, and economic aid...the removal of penalties, whether they be trade embargoes, investment bans, or high tariffs that have impeded economic relations between the United States and the target country. In addition, facilitated entry into the global economic arena and the institutions that govern it rank among the most potent incentives in today’s global market...*political engagement* can involve the lure of diplomatic recognition, access to regional or international institutions, or the scheduling of summits between leaders—or the termination of these benefits. *Military engagement* could involve the extension of international Military Education Training (IMET)...*cultural or civil society engagement* is likely to entail building people-to-people contacts. Funding nongovernmental organizations, facilitating the flow of remittances, establishing postal and telephone links...and promoting the exchange of students, tourists, and other nongovernmental people....<sup>68</sup>

### **1. Crafting an Engagement Strategy**

Haass and O’Sullivan argue that U.S. relations to various target states within the current, post-Cold War international system are ripe for the advantageous use of engagement. Given the lack of Soviet sponsorship, many former satellite states, now “rogue states,” are experiencing the economic and security vulnerability that makes them potential candidates for a U.S. engagement policy.<sup>69</sup> Furthermore, positive incentives may be in U.S. interests in more ways than just beneficial behavioral change. Economic incentives have the potential to open new markets to U.S. investment, consumption of U.S. goods, and general U.S. economic growth.<sup>70</sup> Haass and O’Sullivan further argue the advantage of using engagement in that the use of positive incentives can build the

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<sup>67</sup> Ibid.

<sup>68</sup> Ibid., 5-6.

<sup>69</sup> Ibid., 3.

<sup>70</sup> Ibid.

legitimacy of later coercive efforts. Where these positive engagement efforts are attempted and fail, the influencing state can build a case for the legitimacy of follow-on coercive strategies. This may be particularly so in efforts to build support for allied involvement in the influencing state's efforts. For example, Haass and O'Sullivan argue that U.S. efforts to build a coalition against Saddam Hussein during the Persian Gulf War (1991) benefited from the perception that the U.S. had been conciliatory and cooperative with Hussein prior to his invasion of Kuwait.<sup>71</sup>

Despite the timeliness and advantages of engagement as a viable influence strategy, there are several disadvantages to its use. First, the concept of engagement is often likened to appeasement in the minds of policy makers and their supporting constituents. Appeasement as a concept carries with it a sort of social-historical shame and therefore it may be difficult to justify its use to a domestic political audience. Second, in many cases, and as can clearly be seen with recent U.S. rhetoric about current rogue states, governments vilify target states to help garner domestic political support for policies against them. As such, it may be difficult, after having vilified the target state, to turn the policy tide and offer the same state positive inducements. Haass and O'Sullivan refer to this as the "unattractiveness of the target state"—again often the product of both the actions of the rogue state themselves and the accompanying anti-target state rhetoric by the influencing state.<sup>72</sup>

A third disadvantage of using engagement is that third party states who offer incentives similar to those offered by the influencing state may actually diminish the significance of the influencing state's efforts. If the influencing state is trying to uniquely provide economic incentives to effect a behavior change in the target state and another third party state offers the target state the same or similar inducements, the result may weaken the influencing state's bargaining power and result in a lack of behavior change by the target.<sup>73</sup> A fourth potential disadvantage of using positive incentives, particularly economic incentives, is that without regulation, economic benefits may provide the means by which the target state can engage in disagreeable behavior, such as the

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<sup>71</sup> Ibid., 162.

<sup>72</sup> Ibid., 164, 178.

<sup>73</sup> Ibid., 4.

purchase of weapons or other military technologies. As a result, Haass and O'Sullivan recommend that any economic incentive package be structured to avoid this outcome. Phasing incentives to the target state over a period of time can ensure compliance and appropriate behavioral changes.<sup>74</sup> Finally, much of the influence literature discusses the importance of the credibility and bargaining position of the influencing state to the successful accomplishment of its objectives. If the target state or other states perceive the influencing state as "weak on proliferation issues" or "unwilling to use force" because of the use of positive incentives, there can be problems with maintaining credibility and a strong bargaining position.

In their concluding chapter, Haass and O'Sullivan provide conditions under which engagement tends to work best. First, engagement tends to work best in target states where the decision making is highly centralized. Small, centralized decision making structures, as are often found in governing bodies of rogue type states like North Korea, Syria, and Libya, tend to have the *ability* to make the behavioral changes if the decision-maker(s) becomes *willing* to do so. Unlike more decentralized decision-making structures that have multiple checks on the power of the primary decision-makers, highly centralized governments have less political constraints on policy making.<sup>75</sup> Within these centralized decision-making structures, *positive political incentives* tend to be most effective, such as membership in international associations, diplomatic recognition between influential states and the target state, high-level exchanges between the states. These incentives tend to boost the political power of the centralized decision-making body/group and therefore tend to be received positively by the target state.<sup>76</sup> A corollary disadvantage, however, is that these same centralized decision-makers can also change their minds and reject engagement efforts with little to no checks on their decision making.<sup>77</sup> Two final recommendations for successful engagement strategy crafting are

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<sup>74</sup> Ibid., 165.

<sup>75</sup> Ibid., 162.

<sup>76</sup> Ibid., 162-163.

<sup>77</sup> Ibid., 164.



that policy makers elicit the support of influential sub-groups within the domestic political structure and that engagement goals be modest and incremental.<sup>78</sup>

Finally, Haass and O'Sullivan provide guidelines for maximizing the effectiveness of any engagement strategy. First, any engagement strategy should be clearly articulated in a "road-map" format which outlines tangible requirements and corresponding rewards for and by the target and influencing states. This kind of clear-cut incrementalization helps to ensure transparency and verification of each step in the process of behavior change. Further, these steps help to build confidence between the countries and may be particularly apt in an influence exchange between states that have a history of poor communications and misunderstanding.<sup>79</sup> Second, where appropriate, incentives should engage multiple sectors of the target state's structure, including the civil and military sector. The reasoning here is that if other groups within the society benefit from the influencing state's engagement policy they may be influential in the ultimate success of that policy. As previously discussed, this may translate into unconditional incentives for the civil and military sector in conjunction with conditional incentives for the target state government and/or the provision of "shared" or public goods, such as decreased tariffs or Most Favored Nation status, that benefit the entire state.<sup>80</sup> Haass and O'Sullivan argue that cultural incentives may be most appropriate when targeting the non-governmental sectors of the target state. In this case, cultural incentives tend not to strengthen the target state's regime.<sup>81</sup>

Haass and O'Sullivan and others in the influence literature argue for the combination of carrots and sticks to effect successful behavior change. In this case, they argue for including credible punishments or negative inducements, including disengagement, with the positive incentives. These punishments may help push the target state into accepting the engagement strategy and making the desired behavioral change,

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<sup>78</sup> Ibid., 165-167.

<sup>79</sup> Ibid., 169-170.

<sup>80</sup> Ibid., 172. James Davis distinguishes between private rewards and public or "shared" rewards. Private rewards are typically more limited than public rewards and typically available to a select group, such as the target state decision-making structure involved in the influence exchange. Davis describes private rewards as the "transfer of value between or among actors" that may or may not be tangible. Examples include "cash payments, territorial cessations, the granting or transferal of resource rights, as well as transfers of arms and food." Public or shared rewards tend to be less quantifiable and tend to benefit both parties, 14-16.

<sup>81</sup> Haass and O'Sullivan, 172.

“...clarity of goals as well as clarity of consequences almost always contribute to a more effective engagement strategy.”<sup>82</sup> Alexander George notes that in combining carrots and sticks timing is important. Writing on the use of positive incentives with coercive diplomacy, he argues that incentives should follow coercive threats or actions, thereby solidifying the influencing state’s resolve prior to the offer of engagement.<sup>83</sup>

Finally, and perhaps most critically, successful influence strategy of any kind requires close coordination with allies. Allied support and lack of support can enhance or diminish the strength of any influence strategy. As will be demonstrated in this proceeding case study, the imposition of UN sanctions on Libya for their lack of cooperation with the Pan Am 103 bombings enhanced U.S. economic, political, and cultural sanctions by allowing for the virtual isolation of Libya. Had UN sanctions not been in place, an argument can be made that European trade with Libya would have continued and significantly diminished both the impact of U.S. sanctions and U.S. bargaining power in the influence exchange. In a similar example, Haass and O’Sullivan argue that the lack of coordination between the U.S. and its allies prior to the implementation of the Iran-Libya Sanctions Act (ILSA) in 1996 caused friction between the countries.<sup>84</sup>

## **D. METHODOLOGY**

### **1. Case Study Methodology**

A critical examination of situations in which deterrence, compellence, or engagement was applied against a nation-state to achieve a certain behavioral outcome should provide the analyst insight helpful in crafting successful influence strategies against current and future rogue states. With that policy prescriptive end-goal in mind, this thesis seeks to examine the application of U.S. influence strategy to Libya between 1986-2004 to determine what kind of strategies (deterrence, compellence, engagement, or a combination thereof) were applied, evaluate their success or failure, and finally consider other factors that may have contributed to its success or failure. The larger case

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<sup>82</sup> Ibid., 174-175.

<sup>83</sup> Alexander George, “Introduction,” in Art, 2003, x.

<sup>84</sup> The Iran-Libya Sanctions Act (ILSA) imposed significant fines on companies or individuals doing business with or investing a proscribed amount of money (US\$20-40 million) in Iran or Libya. More information on ILSA available from <http://fpc.state.gov/documents/organization/23591.pdf>; accessed 25 July 2004. Haass and O’Sullivan, 176.

study of U.S. policy towards Libya will be divided into sub-analyses of four different U.S. presidential administrations, Reagan through George W. Bush. These analyses will consider U.S. influence strategy concerning terrorism and/or WMD. Though both of these threats were a concern to the U.S. government, they were treated as separate issues. For example, after the Libyan government renounced terrorism, the George W. Bush Administration continued to apply a compellence policy, citing concerns over Libya's pursuit of WMD.

Before beginning the case study it is important to understand clearly how the various influence strategies will be evaluated in terms of (1) the structure of their communication and implementation and (2) their success or failure in producing the desired behavior change. Each of the three major influence strategies and the way in which they will be analyzed in the U.S.-Libya case study will be outlined below.

For the purposes of this thesis, a deterrence encounter will be considered to take place when it is demonstrated that (1) the target state had, during the specific historical period in question, an intention to take a particular course of action; and (2) the influencing state identified that action as unacceptable, signaled a resolve to punish that behavior, demonstrated its resolve, and maintained a credible capability to enact the punishment. For the U.S.-Libya case study to follow, a deterrence influence exchange will be considered to have taken place when it is demonstrated that (1) Libya intended to continue its support of terrorism or its production of WMD (indicators of this intention may include but not be limited to indications of planning for future terrorist operations, financial or other support for terrorist organizations, construction of WMD-related facilities, purchase of WMD-related materials or technologies, and/or contracting of WMD-related expertise from other countries); and (2) the United States identified Libyan support to terrorism or production of WMD as unacceptable, signaled resolve to punish this behavior, demonstrated the resolve, and maintained a credible capability to back up its threats.

Deterrence success in the U.S.-Libya case will be defined as the decision by the target state to cease future support for terrorism or production of WMD. Indicators of successful deterrence may be evident in the target state articulating a change in terrorism

and WMD policy, decreased support for terrorist organizations, becoming a signatory or ratifying an international WMD-related agreement, and/or disavowing future WMD-related behavior. Deterrence failure will be defined as the target state continuing support for both terrorism and the production of WMD. Indicators of failed deterrence include public declarations, engagement in terrorist acts after the application of deterrence, continued support for terrorist organizations, production of WMD or other WMD-related activities, or the withdrawal from international WMD-related agreements.

For the purposes of this thesis, a compellence encounter will be considered to take place when the influencing state communicates through *words* and *actions* to the target state a demand that the target state take a particular action. As a review, this action may include (1) taking a course of action not currently being taken, (2) cessation of an action already underway, or (3) the reversal of a course of action. In the case study, a compellence exchange will have taken place if the United States communicated through *words* and *actions* a demand that Libya cease support for terrorism or production of WMD. The encounter will be considered coercive diplomacy if the influencing state threatens or uses limited force in communicating the demand. The compellence exchange will be considered successful if Libya acquiesces to the United States' demand and a failure if Libya does not take the prescribed action. Coercive diplomacy will be considered a failure if the United States resorts to the use of more than limited force to get Libya to acquiesce. The compellence exchange will be evaluated against the seven conditions set forth by Robert Art:

- Influencing state's clarity in defining the objective being sought.
- Influencing state's determination to act.
- Asymmetry of motivation, or greater motivation to prevail by the influencing state when compared to the target state's motivation to resist.
- Influencing state's communicated sense of urgency for compliance by the target state.
- Adequate domestic and international support for influencing state.
- Target state's fear of unacceptable escalation.
- Clarity concerning the precise terms of settlement of the crisis.

Finally, the United States will have applied a strategy of engagement if it offers positive incentives either alone or in conjunction with negative incentives, or threats, to effect Libyan behavior change. Engagement efforts will be assessed on two levels: (1) categorical type (conditional or unconditional; economic, political, military, cultural or a combination thereof) and (2) effectiveness based on the format of the incentives (road-map, incrementalized), sectors of country effected (civil, military, governmental), coupling with threats or negative inducements, and coordination with Allies.

Other factors to be considered in the case study include the context of the immediate situation and the historical relationship between the United States and Libya.<sup>85</sup> Analysis of the reasons for success and failure in these cases will lead to concluding recommendations for strategy approaches to influencing rogue state behavior in the future.

## **2. Assumptions**

A few key assumptions will guide this analysis. They are:

1. Evidence of weapons of mass destruction programs in a state is an indication of that state's intent to create WMD. Rogue state plans for the use of WMD materials (weaponization for its own use or proliferation to other states or non-state actors) will not be explored in this thesis.
2. Both target and influencing states are treated as unitary actors in which decisions are made by either a single decision-maker or a small, cohesive collective. The exception to this is situations in which incentives are targeted at a specific sector like the military.
3. The decision-maker in both target state and influencing state is a rational actor. Huth and Russett define rational as the ability to order one's preferences, choose along those preferences, and perceive likely outcomes to the choices.<sup>86</sup>
4. Public communications parallel those conducted between regimes through classified, diplomatic, and other channels. It is further assumed that speeches

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<sup>85</sup> To fully understand a situation in which deterrence is applied, Lebow and Stein encourage examination of both the immediate situation and the historical relationship between the actors involved, 355-356.

<sup>86</sup> Huth and Russett, 499.

made by policymakers and decision makers from the influencing and target states are a true reflection of their state's posture.

### **3. Sources**

Both primary and secondary sources will be used for this thesis. Primary sources will consist of both target state and influencing state documents, including executive-level memorandums, statements, and/or speeches, press releases, U.S. Department of State and Department of Defense bulletins, issue papers, etc., U.S. Congressional testimony and laws, and international agreements and treaties. Secondary sources will include analyses of deterrence theory and U.S. deterrence efforts in Libya. Where possible, primary and secondary sources will be sought which provide target state insight and perspective. It is important to also note that the author is aware and acknowledges that all information concerning communication between the nation-states and deliberations of their decision makers in this case study is not available for analysis. Many of these communications and documents are classified or not available to the public. As noted above, an assumption has been made that public communications parallel those conducted between regimes through classified, diplomatic, and other channels. It is further assumed that speeches made by policymakers and decision makers from the influencing and target states are a true reflection of their state's posture.

### III. RONALD REAGAN ADMINISTRATION

On April 5, 1999, after 13 years of U.S. sanctions and 7 years of UN sanctions, the Libyan government turned over to British authorities two suspects in the terrorist bombing of Pan Am flight 103. Four years later, on December 19, 2003, Libyan Foreign Minister Abdel Rahman Shalqam announced his government's decision to discontinue its production of weapons of mass destruction.<sup>87</sup> What happened in those many years to cause a change in Libyan policy with respect to terrorism and weapons of mass destruction? Can the analyst point to any factors, events, or actions within the 18 total years of US sanctions and the 11 total years of UN sanctions and say with certainty that they contributed to Libyan behavioral change? To answer these questions the following analyses (chapters III-VI) will examine US influence policy towards Libya through four successive U.S. presidential administrations: Reagan, George H.W. Bush, Clinton, and George W. Bush. U.S. policy will be examined in light of UN sanctions and other relevant events to determine what, if any, influence strategy was applied and how it contributed to Libyan behavior change. It will be argued that the U.S. influence strategy was unsuccessful in the short-term and successful in the long-term in facilitating Libyan behavior change.

#### A. BRIEF HISTORICAL OVERVIEW

Let terrorists be aware that when the rules of international behavior are violated, our policy will be one of swift and effective retribution. We hear it said that we live in an era of limit to our powers. Well, let it also be understood, there are limits to our patience.<sup>88</sup>

To set a context for an analysis of the Reagan Administration's dealings with Libya, it is important to briefly examine U.S. relations with the Qadhafi regime up to

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<sup>87</sup> Specifically, the Libyan government pledged to, (a) eliminate all elements of its chemical and nuclear weapons programs, (b) Declare all nuclear activities to the IAEA, (c) eliminate ballistic missiles beyond 300 km range, with a payload of 500kg, (d) accept international inspections to ensure Libya's complete adherence to the Nuclear nonproliferation Treaty, and sign the Additional Protocol, (e) eliminate all chemical weapons stocks and munitions, and accede to the Chemical Weapons Convention, and (f) allow immediate inspections and monitoring to verify all of these actions. White House, "Fact Sheet: The President's National Security Strategy to Combat WMD, Libya's Announcement," 19 December 2003; available from <http://www.whitehouse.gov/news/releases/2003/12/print/20031219-8.html>; accessed 12 July 2004.

<sup>88</sup> President Ronald Reagan, Statement, 27 Jan 1981, in U.S. Department of State. *American Foreign Policy: Current Documents*, 1981. (Washington, D.C., 1982), 393. Remarks at ceremony celebrating the release of the Iranian-held U.S. hostages.

1980. Colonel Muammar Qadhafi led the Free Officer's Movement in a coup against the Libyan monarchy in 1969 and established a new government called the Revolutionary Command Council (RCC). The RCC was comprised of 12-members, of which Qadhafi was and still is the leader. The RCC was against all forms of colonialism and imperialism; anti-Western, anti-Soviet, officially non-aligned, they were firmly dedicated to both Arab unity and the support of Palestine. Beginning in 1969, U.S. foreign policy towards the new, revolutionary Libyan government<sup>89</sup> was conciliatory. The Revolutionary Command Council declared itself anti-Soviet, anti-communist, and nonaligned, allaying Washington's concerns about the potential spread of communism in the Middle East.

Prior to 1973 most of Washington's overtures toward Libya were of a non-hostile nature. Several events in 1973 led the U.S. government to shift its policy from conciliatory to low-key, low-priority opposition of the Libyan government.<sup>90</sup> First, the U.S. discovered Libyan involvement in the PLO embassy seizure in Sudan wherein two U.S. diplomats were killed. Subsequently, two Libyan Mirage jets fired on U.S. RC-130 reconnaissance aircraft operating near Libya in international waters—a scenario that would be repeated multiple times in the eighties. Later in October of 1973, Qadhafi declared all of the Gulf of Sidra (international waters south of 32 degrees, 30 minutes north latitude) as part of Libyan territorial waters. Qadhafi then ordered an assassination plot against Henry Kissinger for his role in the Middle East peace process and publicly called for a terrorist campaign against U.S. interests. The U.S. applied an arms embargo against Libya, blocking the delivery of eight C-130 aircraft that the government assessed would increase Libya's military capabilities.<sup>91</sup> Friction between the two countries continued during the Ford Administration, resulting in the deaths of more U.S. citizens abroad.

The Carter Administration policy towards Libya was engagement-oriented in the hope of improving relations. Carter even wrote two letters to Qadhafi warning him to

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<sup>89</sup> See the Appendix for a brief review of Libyan history.

<sup>90</sup> Brian L. Davis, *Qadhafi, Terrorism, and the Origins of the U.S. Attack on Libya* (New York: Praeger, 1990), 34.

<sup>91</sup> *Ibid.*, 35.



quit his ambitions to assassinate the U.S. Ambassador to Egypt, Hermann Eilts.<sup>92</sup> Though Carter was more conciliatory, Qadhafi was not. His anti-American sentiment and rhetoric increased, likely due in part to U.S. efforts to facilitate the Middle East peace process and his own anti-imperialist leanings. Finally, in 1979, the U.S. embassy in Libya was attacked and burned, with apparent participation of Libyan government officials.<sup>93</sup> That same year the U.S. government officially designated Libya as a state sponsor of terrorism.

## **B. CHRONOLOGICAL REVIEW OF INFLUENCE STRATEGY-RELATED EVENTS**

### **1. U.S.-Libyan Interactions, 1981-1985**

The period 1981-1985 saw a spate of dramatic and damaging terrorist attacks against U.S. targets and interests throughout the world. The Reagan Administration in its rhetoric demonstrated an increasing concern over state sponsorship of terrorism, with the most likely suspects being Syria, Iran, Libya, and North Korea. Concurrently, the Reagan Administration expressed a growing concern specifically with Libya's terrorism-based foreign policy. This period saw several "tit-for-tat" exchanges of military force between the U.S. and Libya. These exchanges were often the result of U.S. military deployments into areas considered territorial waters by Libya and international waters by the United States. As a result of these negative interactions between the two militaries and concern over Libyan foreign policy, the Reagan Administration took a series of diplomatic steps signaling their disapproval with the actions of the Qadhafi regime. These steps included closing the Libyan People's Bureau in Washington and placing restrictions on the movement of Libyan diplomats assigned to the United Nations in New York. The Reagan Administration also took economic steps to signal their disapproval, such as the denial of export licenses for sale of technology that had military applications and any other exports with potential to be used against the United States (in conventional or nonconventional use of force). Finally, with Executive Order 12538 in November of 1985, the Reagan Administration placed an embargo on Libyan oil imports to the U.S.

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<sup>92</sup> Ibid., 36.

<sup>93</sup> Ibid., 37.

## **2. U.S. Influence Strategy 1986-1989: “...our limits have been reached”<sup>94</sup>**

U.S. policy concerning terrorism reached a turning point in early 1986 after a series of high profile terrorist attacks directed against U.S. persons and interests. These attacks happened at different places throughout the world and were likely perpetrated by various terrorist groups. After the shooting of six Americans in El Salvador in June of 1985, President Reagan established a terrorism working group headed by Vice President George H.W. Bush. The intention of the group was to work with U.S. allies to explore policy options against terrorism. An intense spate of terrorist attacks followed in late 1985, most notably the October hijacking of the *Achille Lauro*, the November hijacking of an EgyptAir flight and bombing of a U.S. military post exchange in Frankfurt, Germany, and the December Abu Nidal attacks on the Rome and Vienna airports.

On January 7, 1986 President Reagan issued Executive Orders 12543 and 12544. These Executive Orders declared a national state of emergency with Libya and imposed broad economic sanctions against Tripoli, including the freezing of Libyan assets in U.S. territories. Further, these Executive orders banned travel to Libya by U.S. citizens and resident aliens. In his opening statement at the press conference explaining these actions, Reagan laid out Libya's connection to the most recent terrorist attacks, the Rome and Vienna airport bombings:

But these murderers could not carry out their crimes without the sanctuary and support provided by regimes such as Colonel Qadhafi's in Libya. Qadhafi's longstanding involvement in terrorism is well documented, and there's irrefutable evidence of his role in these attacks. The Rome and Vienna murders are only the latest in a series of brutal terrorist acts committed with Qadhafi's backing. Qadhafi and other Libyan officials have publicly admitted that the Libyan Government has abetted and supported the notorious Abu Nidal terrorist group, which was directly responsible for the Rome and Vienna attacks....By providing material support to terrorist groups which attack U.S. citizens, Libya has engaged in armed aggression against the United States under established principles of international law, just as if he had used its own armed forces.<sup>95</sup>

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<sup>94</sup> President Reagan, Statement after the shooting of six Americans in El Salvador, 20 June 1985, in U.S. Department of State, *American Foreign Policy: Current Documents, 1985*. (Washington, D.C., 1986), 283.

<sup>95</sup> President Reagan, Statement at 7 Jan 1986 Press Conference, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 446.

In this same press conference, Reagan called on other nations to support isolation of Qadhafi. It is clear from the outset of this policy change that the Reagan Administration both understood the importance of and actively sought international support in diplomatic and economic actions against Libya. In a statement the next day, Reagan commented on his Administration's efforts to seek international support and the importance thereof: "Cooperation of our allies and friends is critical if we're to exact a high cost to Qadhafi...In our consultations, the United States will make it clear our position is that all nations must act in concert if we are to halt terrorism."<sup>96</sup> Further, Reagan threatened other measures, implying the use of force, if these diplomatic and economic measures did not succeed in facilitating Libyan change regarding terrorism. "If these steps do not end Qadhafi's terrorism, I promise you that further steps will be taken."<sup>97</sup> He underscored this implied threat that same day in a prepared statement read by the Deputy Press Secretary:

The United States will continue to reserve the right to act in an appropriate manner in our own self defense. All available measures will remain under consideration to bring terrorists to justice. We want to convince Qadhafi that terrorism will not be cost-free, nor will it be without consequence. Should Qadhafi continue his involvement in international terrorism, we're fully prepared to take additional measures.<sup>98</sup>

A statement from the Assistant Secretary of State for Near Eastern Affairs later that month reiterated the threat:

...the steps we have taken to date are not the most severe actions that could be levied against Qadhafi....If Libyan aid to terrorists continues, however, the U.S. has the option of imposing a range of more severe actions. The steps that we have taken may not be our final response, but we sincerely hope additional efforts will not prove necessary.<sup>99</sup>

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<sup>96</sup>President Reagan, Statement read by Deputy Press Secretary Speakes, 8 Jan 1986, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 447-448

<sup>97</sup>President Reagan, Statement, 7 Jan 1986, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 447.

<sup>98</sup> Reagan Statement read by Speakes, *Ibid.*, 448.

<sup>99</sup>Assistant Secretary of State for Near Eastern Affairs, Prepared Statement, 28 January 1986, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 448-449.

This implied threat of force was finally actualized in April of 1986 following the explosion of TWA 840 and the bombing of the Berlin La Belle discothèque—both of which were linked to Libyan terrorist operatives. The U.S. responded with force in the *Operation El Dorado Canyon* air strikes against terrorist and military related targets in Benghazi and Tripoli. This was a classic case of coercive diplomacy in the U.S. use of limited force to punish a target state (Libya) for actions taken. Further the selection of terrorist-related targets was meant to send a message urging Libya to cease support for terrorism.<sup>100</sup> In his statement after the air strikes, Reagan made it clear that the use of force against Libya could happen again in the future in response to terrorist attacks—a clear deterrence statement:

Several weeks ago in New Orleans I warned Colonel Qadhafi we would hold his regime accountable for any new terrorist attacks launched against American citizens. More recently I made it clear we would respond as soon as we determined conclusively who was responsible for such attacks....Today we have done what we had to do. If necessary, we shall do it again.<sup>101</sup>

Furthermore, in an interview the day of the air strikes, Secretary of State Shultz made it clear that with this act of coercive diplomacy the Reagan Administration was sending a warning message to all terrorists contemplating future attacks against the United States: "...it has been shown that he [Qadhafi] and the people around him will pay a price for their terrorist activities, and that we hope will give him some pause and give others some pause as they undertake these terrorist actions around the world..."<sup>102</sup>

The months following the *Operation El Dorado Canyon* air strikes saw a lull in terrorist-related activity and exchanges between U.S. and Libya. There are indications the Reagan Administration believed this lull was a result of the April air strikes, though

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<sup>100</sup> The five targets selected for *Operation El Dorado Canyon* included: Aziziya Barracks in Tripoli, Jamahiriya Guard Barracks in Benghazi, Murat Side Bilal base, military facilities at the primary airfield in Tripoli, and the Benina Military Airfield southeast of Benghazi. This latter target was a MiG fighter base and though not directly related to terrorism, was added to decrease the Libyan MiG threat to U.S. fighters during the mission. Information available from [http://www.globalsecurity.org/military/ops/el\\_dorado\\_canyon.htm](http://www.globalsecurity.org/military/ops/el_dorado_canyon.htm); accessed 24 August 2004.

<sup>101</sup> President Reagan, "Statement on *Operation El Dorado Canyon* air strikes against Libyan targets," 15 April 1986, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 450.

<sup>102</sup> Secretary of State Shultz, Interview with Bryant Gumble, 15 Apr 1986, in U.S. Department of State. *American Foreign Policy: Current Documents, 1986*. (Washington, D.C., 1987), 452.

they were not convinced Qadhafi had given up terrorism entirely nor changed his foreign policy.<sup>103</sup> In a speech on terrorism at George Washington University two and a half years after the strikes, Ambassador at Large for Counter-Terrorism, L. Paul Bremer, made this assessment of Libyan behavior post-*Operation El Dorado Canyon*:

Libya's continued—even growing—involvement in terrorism is our second concern. After 2 years of relative quiet, Qadhafi is becoming more active...he is increasingly using surrogates to implement his terrorist attacks. We have indications that Libya is augmenting its assistance to and enhancing its relationship with such terrorist groups as the Abu Nidal Organization, the Japanese Red Army, and the Provisional IRA.<sup>104</sup>

In historical retrospect, it is clear that though there was a temporary lull in activity, Tripoli sponsored planning was likely underway for the Pan Am 103 bombing which would take place on December 21, 1988—a clear signal that Libya was not finished with terrorist activities. Furthermore, in the midst of this lull in terrorist activity, the Reagan Administration discovered Libya was constructing a large chemical weapons complex in Rabta. This presented another foreign policy challenge and issue of concern for the United States, as the Administration soon articulated their concern that any Libyan WMD could be used in a terrorist strike against U.S. persons.

### **3. Weapons of Mass Destruction**

Qadhafi's response to U.S. accusations that he was creating a large chemical weapons complex in Rabta<sup>105</sup> was that the facility would be used to make medicines—medicines he falsely claimed Libya was denied under U.S. sanctions. The Reagan Administration expressed concern about possible linkage between Libya's new chemical

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<sup>103</sup> Assistant Secretary of State for Near Eastern and South Asian Affairs Murphy, Statement, 15 September 1987, in U.S. Department of State. *American Foreign Policy: Current Documents, 1987*. (Washington, D.C., 1988), 415.

<sup>104</sup> Ambassador at Large for Counter-Terrorism Bremer, Speech before George Washington University conference on terrorism, 22 Nov 1988, in U.S. Department of State. *American Foreign Policy: Current Documents, 1988*. (Washington, D.C., 1989), 229.

<sup>105</sup> In September and October of 1988, the Reagan Administration charged that Tripoli was nearing full-scale chemical weapons production at Rabta—one of the largest known chemical weapons facilities in the world.

weapons capability and its terrorist activity,<sup>106</sup> and as such, the influence strategy applied to terrorism—compellence and deterrence through diplomatic and economic sanctions—was likewise applied to the WMD issue. At a press conference, Secretary of State Shultz explained,

[H]aving reviewed our evidence, there is no question whatever that Qadhafi is trying to equip himself with a major chemical weapons production facility. And he hasn't quite got there yet. He needs aid from the outside in order to get there. We're trying to do everything we can to throw every conceivable monkey wrench we can find into his machinery....And I don't want Qadhafi to have it or to have the ability to give it to some terrorists. That's why we are struggling so hard at this issue.<sup>107</sup>

Limited force was also threatened very early in the public discourse over the Rabta complex. In a news conference on December 21, 1988, President Reagan implied that his Administration and U.S. allies were in consultation over the use of force against Libya once again, this time directed at Libyan chemical weapons production:

*Q.* Now, at one time, we bombed Libya as a sort of punishment for its involvement in terrorism. Are we going to bomb his poison gas factory? And if not, why not?

*The President.* Well, let me say that's a decision that has not been made yet. We're in communication with our allies and with NATO forces and all, and we're watching very closely that situation. But even if I had made a decision, I couldn't--

*Q.* You wouldn't want to tell it now.

*The President.* No.<sup>108</sup>

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<sup>106</sup> Though there is current and unresolved debate in policy, academic, and media circles concerning the linkage of terrorism with WMD as it pertains to rogue states, a reasonable case can be made that the Reagan Administration had sufficient cause for concern over this potential linkage, especially given Qadhafi's view of terrorism as a tool in his ideological struggle against imperialism, his previous use of terrorism in multiple forms against U.S. persons, and his ties to terrorist organizations such as Abu Nidal.

<sup>107</sup> Secretary of State Shultz, Press Conference in Vienna, 17 Jan 1989, in U.S. Department of State. *American Foreign Policy: Current Documents, 1989*. (Washington, D.C., 1990), 455.

<sup>108</sup> Interview with President Reagan, 21 Dec 1988, in U.S. Department of State. *American Foreign Policy: Current Documents, 1988*. (Washington, D.C., 1989), 433.

There are indications this threat was received and believed. The Arab League warned the U.S. shortly after this press conference that there would be repercussions in U.S.-Arab relations should the U.S. attack Libya again.<sup>109</sup>

Qadhafi also indicated he had received the message of implied threat against his “medical” factory. In a speech broadcast on Libyan radio January 9, 1989, Qadhafi commented on the threat of U.S. military strikes on the Rabta plant,

We built a factory for medicine...[t]hey said this constitutes danger. America with all its greatness said, 'I want to destroy this factory.' Why? Because it is a factory that constitutes a danger. Even the factories that make atom bombs are a cause of danger, and so we should destroy them...and this is what should happen. If they destroy this factory, we should get ready to destroy anything American that we can reach.<sup>110</sup>

In the final analysis, it would appear that the Reagan Administration added weapons of mass destruction as a concern to their existing influence strategy against Libya. As such, the same compellence and deterrence strategy, through the use of diplomatic and economic sanctions, was applied to Libya for WMD reasons, in addition to terrorism and subversion. This is reflected concisely in the rationale given for modifications made to Executive Order 12543 allowing U.S. oil companies to resume operations or sell their business holdings in Libya—enacted on Reagan’s last day in office, January 19, 1989. In a statement on the modifications, Press Secretary Fitzwater commented, “This decision does not represent a change in the attitude of the U.S. government toward Libya. We remain deeply concerned about Qadhafi’s continued support for terrorism and subversion as well as Libyan efforts to develop a chemical weapons capability.”<sup>111</sup>

### **C. SUMMARY OF INFLUENCE POLICY AND LIBYAN RESPONSE**

U.S influence strategy against Libya can be summarized as follows: (1) a compellence policy was applied beginning in 1986 to change existing Libyan behavior

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<sup>109</sup> Ronald Bruce St John, *Historical Dictionary of Libya*, 3<sup>rd</sup> edition (London: The Scarecrow Press, 1998), xxxv.

<sup>110</sup> “Threat by Qaddafi,” *AP Wire*, 9 Jan 1989 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 24 August 2004).

<sup>111</sup> Statement by President Reagan’s Press Secretary, Fitzwater, 19 Jan 1989, in U.S. Department of State. *American Foreign Policy: Current Documents, 1989*. (Washington, D.C., 1990), 456.

concerning initially terrorism and later also WMD, (2) coercive diplomacy was used in 1986 in the form of limited air strikes against terrorism related targets, and (3) deterrence was used beginning in 1986 to increase the costs of future/continued Libyan terrorism activities. The primary tools of this influence policy were diplomatic and economic sanctions applied through Executive Orders 12538, 12543, and 12544, and the air strikes of *Operation El Dorado Canyon*. Libyan response to this policy was to continue terrorist activities, including their support to a variety of terrorist groups including Abu Nidal, the Provisional IRA, and the Japanese Red Army. Further, approximately two and a half years after *Operation El Dorado Canyon*, Libyan agents conducted yet another damaging terrorist attack against U.S. and allied persons—the bombing of Pan Am 103 over Lockerbie, Scotland on December 21, 1988. Libyan agents were also linked to another airliner bombing six months later, UTA 772, which exploded over Niger.

It can reasonably be assessed, then, that the U.S. efforts to curb Libyan terrorist activities failed. An examination of the compellence and deterrence policies may help illuminate reasons for this failure.

### **1. Compellence Analysis**

Robert Art provides seven factors that are critical to the success of any compellence policy. These seven are reviewed here with respect to the U.S. influence strategy against Libya during the Reagan Administration to determine possible reasons for the failure of that policy to facilitate Libyan behavior change. *Influencing state's clarity in defining the objective being sought.* The United States met this criterion. The Reagan Administration made an explicit linkage of Libyan support to terrorism to Executive Order 12538 and declared Libyan “policies and actions” as an “unusual and extraordinary” threat to U.S. national security in the text of Executive Orders 12543 and 12544. Further, in reviewing Administration speeches and comments on terrorism throughout the eighties it is clear rhetorically that the U.S. was determined to stop attacks against its interests and allies.

*Influencing state's determination to act.* The U.S. also met this requirement. The Reagan Administration demonstrated their determination to act in the escalation of punitive actions taken against Libya from 1981-1989. Reagan began his influence strategy against Libya with rhetorical statements decrying Libyan activities, diplomatic



actions like closing the Libyan People's Bureau in Washington, and exchanging conventional force in the Gulf of Sidra; he ended his Administration with the use of limited force against terrorism related targets in Libya, the threat of force against the Rabta chemical weapons complex, and complete economic sanctions. Though these actions do indicate a determination to act, they do not reflect whether Qadhafi himself interpreted them as determination.

*Influencing state's greater motivation to prevail versus target state's motivation to resist.* Arguably, this requirement was not met. To understand Qadhafi's motivation to resist and in particular his continued willingness to use terrorism as a tool of Libyan foreign policy, it is important to understand the ideology of his revolution. At the heart of his revolution was a fervent belief in secular Arab nationalism. Noted Libyan scholar Ronald Bruce St John writes that jihad was the "action element of that Arab nationalism."<sup>112</sup> *Jihad* was a tool for achieving social justice both in Libya and throughout the world. As such, Qadhafi supported liberation movements which he believed were engaged in the struggle against colonialism and imperialism, from the Irish Republican Army to radical Palestinian groups. What he viewed as liberation violence, the United States and other Western European nations viewed as terrorism—a distinction he attempted to make but which likely fell on deaf ears.

His support for liberation movements also brought Qaddafi into prolonged contact with groups and activities that the United States and its Western allies associated with terrorism. Consequently, he spent considerable effort in the 1980s and 1990s trying to differentiate between revolutionary violence, which he continued to support, and terrorism, which he purportedly opposed.<sup>113</sup>

Though it is difficult to measure motivation to prevail, it is clear from Qadhafi's actions during the eighties that his motivation to resist was greater than U.S. efforts to prevail against him. In fact, Reagan's actions may have worked his influence efforts, as there are indications that the 1986 air strikes demoralized Qadhafi's opposition and

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<sup>112</sup> Ronald Bruce St John, *Libya and the United States: Two Centuries of Strife* (Philadelphia: University of Pennsylvania Press, 2002), 4.

<sup>113</sup> Ibid.

rallied the more radical, pro-revolutionary elements in Libyan society.<sup>114</sup> In any case, the analyst can rightly conclude that Qadhafi was still very ideologically motivated at this time and likely saw the exchange of rhetoric and force between Libya and the U.S. during the eighties as a righteous struggle between his revolutionary ideals and western imperialism.

*Influencing state's communicated sense of urgency for compliance.* The Reagan Administration did communicate a sense of urgency in seeking Libyan compliance with U.S. demands. The eighties uniquely were a decade of intense terrorist attacks against U.S. persons and interests throughout the world. There were at least 22 terrorist incidents directed at U.S. persons between 1980 and 1989, many of which were major attacks such as the bombing of the U.S. embassy (63 killed) and Marine Barracks (242 killed) in Beirut, the hijacking and bombing of multiple aircraft, including Pan Am 103 (259 onboard plus additional people on the ground killed), and the kidnapping and assassination of multiple State Department and military personnel.<sup>115</sup> The Reagan Administration had reason to believe Libya was a state sponsor for many, though not all, of these attacks. This conviction of Libyan complicity and the precedent of intense and frequent attacks arguably imbued administration rhetoric and communicated a sense of urgency for Libyan compliance with U.S. demands.

*Adequate domestic and international support for influencing state.* The U.S. influence attempt did not meet this goal. The Reagan Administration made repeated calls in speeches, statements, and interviews for international solidarity in the fight against states sponsoring terrorism, specifically including solidarity in the use of economic and diplomatic sanctions. Though there were some signs of support in the second half of his Administration, including the expulsion of 100 Libyan “diplomats” and businessmen from Western Europe and a decrease in European crude oil imports from Libya, <sup>116</sup> the U.S. received minimal support from European allies in the use of force against Libya.

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<sup>114</sup> Ronald Bruce St John, “Lessons from Qadhafi,” *Foreign Policy In Focus*, 14 March 2003; available from <http://www.globalpolicy.org/security/sanctions/libya/2003/0314us.htm>; accessed 8 September 2003.

<sup>115</sup> U.S. Department of State, “Significant Terrorist Incidents, 1961-2001: A Chronology”; available from [http://www.fas.org/irp/threat/terror\\_chron.html](http://www.fas.org/irp/threat/terror_chron.html); accessed 24 August 2004.

<sup>116</sup> Statement by the Under Secretary of State for Political Affairs Armacost, 30 June 1986, in U.S. Department of State, *American Foreign Policy: Current Documents*, 1986, (Washington, D.C., 1987), 453.

Though the British allowed U.S. aircraft to take off from England, the French denied the U.S. military overflight of their country. At the heart of this lack of allied solidarity was the difference in European and U.S. interests. In particular European nations stood to benefit from conciliatory relations with Libya both in terms of the development and import of energy resources and in terms of their individual national security.<sup>117</sup>

*Target state's fear of unacceptable consequences.* There are no indications that the U.S. threatened “unacceptable” consequences, be they conventional or non-conventional, nor that Qadhafi interpreted the U.S. threats to be grave in nature. In fact, Qadhafi considered that U.S. actions, namely the use of force to influence him, were a failure and that the newly elected Bush Administration would have to resort to negotiations. “The Americans must understand that the policy of force, threats, fleet and siege have failed, that they have to negotiate with Libya.”<sup>118</sup>

*Clarity concerning precise terms of settlement.* Though Reagan did provide the criteria for improved relations between the states, they were likely too costly for Qadhafi: “...we are prepared to improve our relationship with Libya if and only if there is a complete and lasting reversal of Qadhafi's support for international terrorism and his subversion of governments.”<sup>119</sup> Given Qadhafi's revolutionary ideals and his view of terrorism as a legitimate tool in his ideological struggle against imperialism, history has demonstrated that he was unwilling at this time to fully renounce terrorism and subversion.

## **2. Deterrence Analysis**

Concurrent with the compellence policy against ongoing Libyan terrorist and WMD activities was a policy to deter those same activities in the future. The Reagan Administration's rhetoric was at times explicitly cost-benefit oriented and described the isolation and military action as a means of increasing Libya's cost in future foreign policy ventures. For example, the State Department issued a statement that “The United States

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<sup>117</sup> See Judith Miller, “Europe's Unease,” *New York Times*, 14 April 1986, A6 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 24 August 2004). See also Ronald Bruce St John, 2002, 132-134.

<sup>118</sup> Paul Delaney, “Quick Peek, From Afar, at Libyan Plant,” *New York Times*, 8 January 1989, section 1 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 24 August 2004).

<sup>119</sup> President Reagan, Interview, 11 June 1985, in U.S. Department of State, *American Foreign Policy: Current Documents*, 1985. (Washington, D.C.: 1986), 601.

believes the appropriate response to Qadhafi's policies remains one of isolating Libya and minimizing Libya's presence abroad to demonstrate to Qadhafi the cost of his objectionable policies and to limit his capacity to take harmful actions."<sup>120</sup>

In addition to framing a deterrence situation as a cost-benefit calculation, there are other criteria that identify the existence of a deterrence policy. First, it must be demonstrated that the target state had an intention to take a particular course of action. It is clear from Libyan behavior throughout the eighties, including their support for various terrorist organizations and refusal to renounce terrorism, that their intention during this period was to use terrorism as a tool of foreign policy. Furthermore, by the creation of the Rabta chemical weapons complex, it is clear that Qadhafi had an intention to create chemical weapons of some kind and of some quantity.<sup>121</sup> Second, there are four criteria for evaluation of any deterrence situation and each will be briefly examined here.

*Influencing state identified action as unacceptable and Influencing state signaled a resolve to punish that behavior.* As has been demonstrated above, the U.S. repeatedly decried Libya's terrorist behavior and threatened, prior to the actual use of military force in 1986, the use of harsher measures if Libya did not change its behavior. The actual use of force in 1986 should have strengthened this deterrence threat and arguably may have temporarily strengthened the threat based on the lull in activity after the air strikes.

*Influencing state demonstrated resolve and Influencing state maintained a credible capability to enact threatened punishment.* The United States demonstrated its resolve to punish terrorism in the 1986 *Operation El Dorado Canyon* air strikes. Furthermore, they maintained a credible capability to enact any future punishment through the deployment of U.S. Sixth Fleet and Air Force assets in the region throughout this period. Finally, the tit-for-tat exchanges of conventional force outside of Operation El Dorado Canyon between the Libyan naval and air forces and the U.S. Navy demonstrated a willingness on the part of the U.S. to use force.<sup>122</sup>

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<sup>120</sup> Statement issued by the Department of State, 15 March 1988, in U.S. Department of State. *American Foreign Policy: Current Documents, 1988*. (Washington, D.C.: 1989), 432.

<sup>121</sup> Though a convincing argument could be made for it, it is not certain, based on the previous two intention statements, that any WMD created at Rabta would have been used by Libyan sponsored terrorists.

<sup>122</sup> The U.S. and Libya exchanged conventional force a total of five times during the eighties, beginning in mid-August 1981 and concluding in early January 1989.

#### **D. ASSESSED EFFECTIVENESS OF STRATEGY**

During this period of time, the U.S. influence efforts failed to change Libyan behavior with respect to terrorism or weapons of mass destruction. Noted Libyan scholar Ronald Bruce St John argues that despite the efforts of the Reagan Administration, Qadhafi's foreign policy did not change during the eighties in "content or direction."<sup>123</sup> Commenting on the failure of the 1986 air strikes to achieve the desired change in Libyan policy, St John writes,

While there were significant shifts in the foreign and domestic policies of the Libyan government in the coming twelve months....few of them supported the objectives articulated by the Reagan administration when it launched the attack. After a period of seclusion, Colonel Qaddafi returned to the world stage with the major tenets of his policies intact. His support for state-sponsored terrorism might now be more circumspect, but he remained adamantly opposed to the international status quo and determined to employ all of Libya's resources to overthrow it.<sup>124</sup>

St John's conclusion is borne out in the Pan Am and UTA bombings in 1988 and 1989, respectively, and the evidence cited above of continued Libyan support to various terrorist organizations throughout the world.<sup>125</sup>

The most critical of the factors affecting the failure of U.S. efforts to both compel Libyan behavior change and deter future support of terrorism was likely Qadhafi's motivation to prevail and the lack of international support to Reagan's policies. There are indications that, despite an uprising by the Libyan army following *Operation El Dorado Canyon*, the 1986 air strikes largely served to rally domestic support behind Qadhafi, strengthening him in his revolutionary struggle against U.S. imperialism.

The April 1986 bombing raid, designed by the United States to promote the overthrow of the Qaddafi regime, had the opposite effect as it actually strengthened his hold on power. While the attack did little to rally the masses around Qaddafi, it invigorated a radical minority, and at the same

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<sup>123</sup> St John, 2002, 122.

<sup>124</sup> Ibid., 138.

<sup>125</sup> Ibid., 151.

time, discredited and demoralized regime opponents in and outside Libya. Qaddafi seized the moment to consolidate his domestic position....<sup>126</sup>

Furthermore, the continued diplomatic and economic engagement by Libya's primary trade partners in Europe weakened U.S. punitive measures by provided petroleum markets and developmental support to fill the void left by United States.

## **E. CONCLUSION**

U.S.-Libyan relations deteriorated significantly during the Reagan Administration. After numerous terrorist attacks against U.S. targets and interests overseas, the Reagan Administration, being convinced of Libyan complicity, applied a strategy of deterrence and compellence to both punish Tripoli for their support of terrorist groups such as Abu Nidal, and also to deter future support. In their compellence strategy, the Reagan Administration went so far as to conduct air strikes against Libyan targets in Benghazi and Tripoli. This use of force was useful later to back up Reagan's threats against the newly discovered chemical weapons complex at Rabta. Ultimately, with terrorism as their primary concern, the Reagan Administration applied the same terrorism-based compellence and deterrence policy to Libya's pursuit of weapons of mass destruction. In the end, however, the policy failed to facilitate any substantial change in Libyan behavior on either issue. Though there was a lull after the 1986 *El Dorado Canyon* air strikes, the Libyan government demonstrated their continued involvement in terrorism with the Pan Am 103 and UTA 772 bombings. Furthermore, though Libya would cease activity at the Rabta chemical plant in the early nineties, they subsequently began construction on a hardened, underground chemical weapons complex in Tarhuna. Though vigorously applied, U.S. efforts were not able to prevail against Qadhafi's motivation to resist and the lack of international support.

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<sup>126</sup> St John, 2002, 144.

## **IV. GEORGE H.W. BUSH ADMINISTRATION**

### **A. BRIEF HISTORICAL OVERVIEW**

U.S.-Libyan relations during the first Bush Administration were characterized initially by rhetorical and diplomatic exchanges over WMD, specifically indications of Libyan intent to develop chemical weapons at the Rabta Plant. Later, after the November 14, 1991 indictment of two Libyans for the Pan Am 103 bombing, Libyan sponsorship of terrorism again took center stage in U.S. influence policy. The primary U.S. actions taken during this period included continued support for the national state of emergency and economic sanctions established with Executive Orders 12543 and 12544, increased flight restrictions on aircraft going to or coming from Libya (April 1992)<sup>127</sup>, and the freezing of an additional \$260 million in Libyan assets (for a total of \$950 million).<sup>128</sup> There were no exchanges of force between Libya and the United States during the Bush Administration, though notably, the U.S. did conduct their largest and most successful military operation since Vietnam—*Operation Desert Storm*. The most significant event during this period with respect to the U.S. influence strategy against Libya was the imposition of UN sanctions against Libya. The United States and United Kingdom were instrumental in the adoption of UN Security Council Resolution (UNSCR) 731, a resolution formally calling on Libya to support the Pan Am 103 and UTA 772 bombing investigations. Libyan refusal to comply with UN demands resulted in the passage of multilateral international sanctions (UNSCR 748).

### **B. CHRONOLOGICAL REVIEW OF INFLUENCE STRATEGY RELATED EVENTS**

#### **1. Weapons of Mass Destruction**

George H.W. Bush assumed the presidency on the heels of the discovery of Libya's construction of the Rabta chemical weapons complex. Upon the Reagan Administration's investigation of the construction of the Rabta complex, it was determined that other countries, namely West Germany, were assisting Libya in

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<sup>127</sup> Notice on Continuation of Libyan Emergency, 14 December 1992, in *Public Papers of the Presidents of the United States: George Bush, 1992-1993*, Book II, (Washington, D.C.:1993), 2188.

<sup>128</sup> St John, 1998, xli.

construction and infrastructure development.<sup>129</sup> To counter this, the U.S. applied diplomatic pressure to these third-party countries to cease their support to Libya. This pressure was continued into the Bush Administration in what was described as a “major diplomatic campaign” to end outside support to Qadhafi’s chemical weapons efforts. Further, State Department officials described the Bush Administration’s policy against Libya as part of a larger diplomatic effort against the production and proliferation of chemical weapons (CW):

...Libya’s attempts to acquire full-scale CW production capability dramatically illustrate the need for concerted and energetic action. Our goal remains a comprehensive, effectively verifiable, and truly global ban on CW....The United States...launched a major diplomatic campaign aimed at ending critical foreign assistance to Libya’s CW program. We will continue to strongly pursue this effort in order to ensure that our allies and others remain vigilant to Libya’s attempts to acquire full-scale CW capability.<sup>130</sup>

This larger effort also included U.S. efforts to end chemical weapon production and proliferation through the United Nations Geneva Conference on Disarmament.<sup>131</sup>

A fire at the Rabta complex in March of 1990 appeared to have taken the facility out of commission and there was some speculation that the United States was involved. However, President Bush denied U.S. involvement in an interview two days after the fire. “The best intelligence that I’ve had...is uncertain as to whether this was an accident or some incident of sabotage. I have stated without fear of contradiction that the United States was not involved in any sabotage activity.”<sup>132</sup> U.S. and French intelligence reports later indicated that there was actually little damage done to the complex by the fire and as

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<sup>129</sup> Joshua Sinai reports that other countries reportedly involved in the construction and development of chemical weapons capability at Rabta included Germany, Belgium, France, Italy, and Japan. Joshua Sinai, “Libya’s Pursuit of Weapons of Mass Destruction,” *The Nonproliferation Review* (Spring-Summer 1997): 93.

<sup>130</sup> Prepared Statement by Deputy Assistant Secretaries of State for Near Eastern and South Asian Affairs, Walker and Burleigh, 19 April 1989, in U.S. Department of State. *American Foreign Policy: Current Documents, 1989*. (Washington, D.C.: 1990), 395.

<sup>131</sup> Ibid.

<sup>132</sup> Interview with President Bush by Jim Angle of National Public Radio, 16 March 1990 in *Public Papers of the Presidents of the United States: George Bush, 1990*, Book I, (Washington, D.C.: 1991), 378.



a result, many speculated the fire was purposely set to prevent the U.S. from taking coercive actions along the lines of *Operation El Dorado Canyon*.<sup>133</sup>

## 2. Terrorism

Despite the initial precedence given to Libyan chemical weapons efforts, terrorism remained a central concern of the Bush Administration. Speaking forthrightly about Libya in December of 1989, President Bush charged that there had been no evidence of Libyan behavior change with respect to terrorism, and as such, U.S. policy had not changed. Furthermore, in this statement he set forth the U.S. expectation for improved relations with Libya—renunciation of terrorism:

I'll simply say that we have not changed our view on Libya. I know that some countries are reaching out a little more today to Libya; we are not. We have not seen the hard evidence that we'd like to see to show a renunciation of international terror. And until we do, there will be no improved relations between the United States and Libya.<sup>134</sup>

Again in April of that next year, he reiterated the importance of Libyan renunciation of terrorism to improved relations with the United States: “Good will begets good will...I would say a verifiable renunciation of terror is terribly important, for example, in the case of Libya, if we are to have better relations there.”<sup>135</sup>

President Bush continued both the national emergency and economic sanctions against Libya during his first six-month review of Executive Orders 12543 and 12544 and thereafter throughout his time in office.<sup>136</sup> In so doing, he signaled that Libya had not made changes to their foreign policy behavior sufficient to result in altering of U.S.

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<sup>133</sup> Sinai, 94.

<sup>134</sup> President George H.W. Bush, Joint News Conference Following Discussions With French President Mitterrand in St. Martin, French West Indies, 16 December 1989, in *Public Papers of the Presidents of the United States: George Bush, 1989*, Book II, (Washington, D.C.:1990), 1708-1709.

<sup>135</sup> Joint News Conference of President Bush and President Francois Mitterrand in Key Largo, Florida, 19 April 1990, in *Public Papers of the Presidents of the United States: George Bush, 1990*, Book I, (Washington, D.C.: 1991), 529.

<sup>136</sup> “Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date.” Excerpt from Letter to Congressional Leaders on the continuation of the National Emergency With Respect to Libya, 4 January 1990, in *Public Papers of the Presidents of the United States: George Bush, 1990*, Book I, (Washington, D.C.: 1991), 10. Additionally, these six-month reviews also included violations of Executive Orders 12543 and 12544 and a summary of actions taken administratively to support enforcement of both.

policy. In his letter to Congress continuing the national emergency with Libya on Jan 4, 1990, Bush set forth his Administration's position against the Libyan government. In the letter Bush charged Qadhafi with continued support of terrorism and articulated his Administration's belief, just like that of the Reagan Administration, that economic sanctions would limit Qadhafi's ability to support and use terrorism as a tool of foreign policy:

The crisis between the United States and Libya that led to former President Reagan's declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya continues to use and support international terrorism, in violation of international law and minimum standards of human behavior. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.<sup>137</sup>

The periodic review of existing Executive Orders against Libya became a powerful way of affirming and continuing the existing U.S. compellence and deterrence policy against Libya. As is clear in the language of these Executive Orders, the primary reason for both was the threat posed by Libyan terrorist activity. However, the Bush Administration eventually highlighted chemical weapons production as yet another foreign policy action by Tripoli necessitating the existing influence policy. This linking of WMD to the existing influence strategy was first articulated by the Bush Administration in the mid-1991 review of Executive Order 12543:

The policies and actions of the Government of Libya, such as support for terrorism, and international destabilization and *the pursuit of offensive weapons systems, particularly chemical weapons*, continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States.<sup>138</sup>

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<sup>137</sup> Ibid.

<sup>138</sup> President Bush, "Message to the Congress Reporting on the Economic Sanctions Against Libya," 9 July 1991, in *Public Papers of the Presidents of the United States: George Bush, 1991*, Book II, (Washington, D.C.: 1992), 852. Emphasis added.

### 3. International Involvement

Both the Reagan and Bush Administrations went to great lengths to generate international support for sanctions against Libya. These efforts were met with limited success. The level of international support would change dramatically, however, with the determination of Libyan involvement in the Pan Am 103 and UTA 772 bombings. On November 14, 1991 Scottish and American officials indicted two Libyan agents for the bombing of Pan Am 103. Following this indictment, two Joint Declarations were published demanding first that Libya support the ongoing bombing investigations and subsequent judicial proceedings and second that Libya cease support to and involvement in international terrorism. Specifically, the U.S.-U.K. Joint Declaration demanded the surrender of the suspects indicted for the Pan Am bombing, disclosure of any information about the bombing, and the payment of compensation to victims.<sup>139</sup> An additional U.S.-U.K.-France Joint Declaration condemned terrorism and states involved in it and defined indirect state involvement in terrorism as “harboring, training, providing facilities, arming, or providing financial support or any form of protection” to terrorists. This declaration also urged Libyan compliance with the Pan Am and UTA investigations and demanded a Libyan commitment to ceasing support for terrorism.<sup>140</sup>

Following the November indictment, the U.S. and United Kingdom also pressed for a UN resolution condemning Libyan support to international terrorism and demanding their full participation in the Lockerbie and UTA investigations.<sup>141</sup> Their efforts were met with the successful passage of UN resolution 731. However, UN demands on Libya would go unmet and as a result, the United Nations passed Security Council Resolution 748, determining that Libyan intransigence was a threat to international peace and security and imposing UN sanctions. This resolution demanded immediate Libyan compliance with the aircraft bombing investigations and the prompt, demonstrable, renunciation of terrorism. Additionally, UNSCR 748 adopted the following measures effective April 15, 1992:

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<sup>139</sup> Declaration of the United States, France, and the United Kingdom on Terrorism, 27 November 1991, in *Public Papers of the Presidents of the United States: George Bush, 1991*, Book II, (Washington, D.C.: 1992), 1528.

<sup>140</sup> Ibid.

<sup>141</sup> Ronald Bruce St John, *Libya and the United States: Two Centuries of Strife* (Philadelphia: University of Pennsylvania Press, 2002), 166.

- Denial of the ability of any aircraft to take off from, land in, or overfly other UN states if the same aircraft had taken off from or was to land in Libya
- Prohibition of the supply of any aircraft or aircraft components, aircraft engineering or maintenance, certification of airworthiness, payment of aviation-related insurance claims, or the issuance of new direct insurance for Libyan aircraft
- Prohibition of the provision of arms or related material of all types and the technical advice or training relating to those arms and items
- Reduction of Libyan personnel manning Libyan diplomatic missions and consular posts and restriction of the movement of those officials who remained in member state's territories
- Expulsion of and denial of entry to all Libyan personnel denied entry to or expelled from other States due to their involvement in terrorism

On its first scheduled review of UNSCR 748 in August of 1992, the United Nations determined that Libya had not yet complied with the requirements of UNSCR 731 and threatened tighter sanctions with continued non-compliance.

### **C. SUMMARY OF INFLUENCE POLICY AND LIBYAN RESPONSE**

The Bush Administration continued the Reagan Administration's influence strategy of compellence and deterrence through the sanctions regime established in Executive Orders 12543 and 12544. This was demonstrated most effectively in the continuation of these same Executive Orders, without significant modification, throughout the Bush Administration. Like Reagan, Bush believed these sanctions were the best way to limit Qadhafi's ability to support terrorism and other objectionable foreign policies, such as production of chemical weapons. Though Libya's pursuit of a chemical weapons capability was an emerging concern when Bush first came into office, terrorism remained a central concern of his Administration and this became increasingly so with indications of Libyan involvement in the Pan Am 103 bombing.

As the Reagan Administration did after Operation El Dorado Canyon, President Bush used the precedent of U.S. use of force to influence Qadhafi's decision-making. In an interview following the November 14, 1991 indictment of the two Libyan agents, Bush implied the U.S. might be considering force against Libya.

*Q.* Mr. President, with the indictment of two Libyan operatives in the Pan Am 103 bombing, would you share with us some of the options you are considering to isolate Libya even further?

*President Bush...we've not ruled out anything. We must keep our options open in responding to the incident. But I hope you can appreciate the importance of keeping our options secret as well. I don't want to telegraph what we might do.*<sup>142</sup>

Bush was part of the Reagan Administration's decision to use force against Libya in 1986 and had as President set a precedent for successful use of force in a much larger capacity—*Operation Desert Storm*. This more recent use of U.S. military force against another Arab regime was larger in scale than *El Dorado Canyon*, and demonstrated the technological lethality of U.S. forces. Use of force by the United States in *Desert Storm* likely provided a *bonus coercive effect* on Qadhafi in that it bolstered the credibility of potential for U.S. use of force against Libya, though the actual use of force was against another state—Iraq. Though Bush's implied threatening of force likely benefited in its credibility from both *El Dorado Canyon* and *Desert Storm*, it was arguably too vague a threat to be considered coercive diplomacy against Libya.

Despite U.S. efforts Qadhafi remained intransigent during this period of time, refusing to yield to international demands for compliance with the Pan Am and UTA investigations and refusing to renounce terrorism. Despite this intransigence in the face of U.S. and international compellence efforts, Tripoli provided little appreciable support to terrorism during this period, indicating that the U.S. deterrence policy was successful. The UTA 772 bombing in 1989 was, arguably, Libya's last major act of international terrorism. Also, there are indications Tripoli's support to terrorism actually decreased, including the closure of Palestinian terrorist bases.<sup>143</sup>

### **1. Compellence Analysis**

Why did U.S. compellence efforts fail to cause Libya to renounce terrorism during this period? An examination of key elements of the compellence effort indicates Qadhafi's motivation to resist influence efforts had yet to be weakened by U.S. and UN

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<sup>142</sup> President Bush, Teleconference Remarks to the Southern Newspaper Publisher Association, 19 November 1991, in *Public Papers of the Presidents of the United States: George Bush, 1991*, Book II, (Washington, D.C.: 1992), 1486-1487.

<sup>143</sup> St John, 2002, 165. Of note, Libya did not kick out its most notorious terrorism sponosoree, Abu Nidal, until Augusts of 1998. He was arrested on 26 August 1998 as he crossed from Libya into Egypt.

actions. Also, beyond successfully gaining international support for sanctions against Libya, the Bush Administration did little else to communicate a sense of urgency for Libyan compliance to demands.

*Influencing state's greater motivation to prevail versus target state's motivation to resist.* The U.S. influence effort did not meet this criterion. By dint of historical fact it is clear that Qadhafi's motivation to resist during this period was greater than the U.S. and United Nations motivation to prevail. Neither U.S. and UN sanctions nor international condemnation was sufficient to move him to renounce terrorism and hand over the Pan Am 103 suspects. There are three possible reasons for his continued resistance to change. First, Qadhafi continued to believe both in violence as a legitimate tool in the struggle against colonialism and imperialism and in his distinction between liberation movements and terrorism. Second, Qadhafi believed the UN sanctions were unfairly imposed on Libya. In an interview with the Saudi press in December 1993, Qadhafi argued that the Lockerbie bombing was a civil matter, and therefore had been inappropriately brought to the United Nations. Furthermore, he remained committed to the belief that the Libyans in question would not receive a fair trial unless they were tried in a neutral third country.

*Q.* Have you not made mistakes in your handling of the [Lockerbie] affair?

*Qadhafi.* The sanctions against Libya are unjust and there is no fair reason for them. If we had prevented the suspects from handing themselves over, or if we refused to have anything to do with the issue, there would have been a reason for this behavior towards us. But when they named the two suspects, we acknowledged their presence though there are thousands of people called Abdelbaset; and when they said they wanted a trial we accepted the principle of a trial. We did not make mistakes, but simply demanded that there should be a fair trial in a third country.<sup>144</sup>

Finally, Qadhafi may have believed the United States and its allies were seeking regime change instead of foreign policy change. In his article "How to Inflate a Demagogue," David Hirst argues that Qadhafi may have viewed giving up the Libyan

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<sup>144</sup> "Qadhafi: The Libyan revolution has matured," *Mideast Mirror* 3 Dec 1993 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 25 August 2004).

suspects as the key to his own domestic undoing. Critically dependent upon loyalty to maintain his own domestic power base, surrendering the Libyan suspects would send a signal that loyalty is not rewarded, thus setting himself up for internal regime change.

Gadafy depends on the loyalty of family and clan. Members of his Gadaffem, and other influential tribes, are the cement which binds to him the institutions of the state, army, intelligence services and the 'revolutionary committees'. These relationships are as vital as they are intricate and obscure....To yield up the pair would have been to show his insiders that loyalty does not pay, to strip away the aura of invincibility his regime enjoys, and to persuade the disparate and ineffectual émigré opposition...that their hour may at last be at hand....He now seems convinced that it is head, not the trial of the two suspects, which the West is after, and that nothing he could do would divert it from that purpose. So he has decided to conserve his domestic power base at all costs.<sup>145</sup>

*Adequate domestic and international support for influencing state.* The U.S. was successful in meeting this criterion. Like Reagan, the Bush Administration signaled their determination to seek international support in compellence efforts against Qadhafi. Initially, the U.S. and key allies, namely France, were at cross purposes in terms of how each state dealt with states sponsoring terrorism. This comes out clearly in an interview with French President Francois Mitterrand and President Bush in 1990. Though concerned with the threat posed by Libya, France maintained diplomatic relations with the Qadhafi regime and pursued a different approach in managing their relations with Libya.

*Q.* This is a question to the two Presidents. Do you feel that one should be talking with countries like Iran and Libya who still do not respect our common values and who still condone terrorism?

*President Mitterrand...*[W]e—like most countries—we have diplomatic relations with both Libya and Iran and, indeed, with any other regimes in the world that we do not like....I would add...that most Western countries do business with these countries, and often on a large scale.

*President Bush.* As you know, we have a different situation in terms of relations with Iran and Libya....And I would only add...in our country there's this list of terrorism, and I would say a verifiable renunciation of

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<sup>145</sup> David Hirst, "How to Inflate a Demagogue." *The Guardian*, 15 April 1992, 21 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 25 August 2004).

terror is terribly important, for example, in the case of Libya, if we are to have better relations there.<sup>146</sup>

Ultimately, however, the U.S., France, and other members of the UN Security Council would come to an agreement after the tragedies of the Pan Am 103 and UTA 772 and establish resolutions demanding Libyan compliance with investigations and call for a renunciation of terrorism.

*Influencing state's communicated sense of urgency for compliance.* The U.S. was not successful in communicating a sense of urgency for Libyan compliance with compellence demands. Despite the strong rhetoric against Qadhafi's support of terrorism, the Bush Administration did not seem to communicate a sense of urgency for Libyan compliance with their demands. Unlike other influence exchanges between an influencing and a target state that are more time-sensitive in nature, for example U.S. compellence efforts against Saddam Hussein after his invasion of Kuwait, this compellence policy, though strictly and consistently enforced, was perhaps best considered *general compellence* in the sense that it was not specific to a particular situation and reflected a desire from the influencing state to achieve a substantive, but not necessarily time sensitive, change in the target state's foreign policy.

## **2. Deterrence Analysis**

Although the Bush Administration used less traditional deterrence language, their deterrence policy was, like that of the Reagan Administration, implied in the larger compellence policy. Not only was the Bush Administration attempting to stop Qadhafi's support to terrorism and production of chemical weapons, they were also attempting to prevent future activities along these lines. Based on the Administration excerpts and actions provided above, it is clear the Bush Administration *identified both terrorism and production of chemical weapons as unacceptable, signaled their resolve to punish continued behavior* through economic sanctions and the state of national emergency, *demonstrated their resolve* through the continued extension of Executive Orders 12543

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<sup>146</sup> Joint News Conference of President Bush and President Francois Mitterrand in Key Largo, Florida, 19 April 1990, in *Public Papers of the Presidents of the United States: George Bush, 1990*, Book I, (Washington, D.C.: 1991), 528-529.



and 12544, and maintained a credible capability to enact either an economic or military punishment as needed or desired.

The deterrence policy was largely successful with regard to terrorism after the Pan Am 103 bombing, as evidenced by Tripoli's decreasing support to terrorist groups and most notably the absence of any significant Libyan terrorist against U.S. interests. The deterrence policy was less successful with regard to weapons of mass destruction. Though the fire at the Rabta complex appeared to signal a decrease in chemical weapons capability, the Libyans were at the same time constructing an even larger, hardened chemical weapons facility at Tarhuna. Concerns over this facility would emerge later during the Clinton Administration.

#### **D. ASSESSED EFFECTIVENESS OF STRATEGY**

The primary success of the U.S. influence strategy during this period was gaining the support of the international community in actions against Libya, namely in the passage of UNSCRs 731 and 748. Interestingly, though, the passage of these resolutions is not necessarily attributable directly to the U.S. influence strategy and rather is more likely the result of Libyan actions—the bombing of Pan Am 103 and UTA 772—and their subsequent refusal to support the investigations of those incidents. Though the U.S. suffered many casualties in the Pan Am 103 bombing, other nations were also affected by both bombings and were accordingly propelled to action to remedy these injustices. The Bush Administration for their part did maintain the strength of the U.S. sanctions against Libya and added to them the additional concern of Libyan chemical weapons production. Though these sanctions, both U.S. and UN, would appear to be ineffective in facilitating Libyan behavior change during the Bush Administration, they would prove effective in the longer term. This point and others will be developed in the examination of the Clinton and George W. Bush Administrations in chapters V and VI.

#### **E. CONCLUSION**

The Bush Administration's influence strategy, a continuation of that begun by the Reagan Administration, was largely unsuccessful in facilitating Libyan behavior change with regard to terrorism and weapons of mass destruction. Tripoli remained intransigent, even in the face of international condemnation and UN resolutions, concerning the handover of the Pan Am 103 suspects and the renunciation of terrorism. The U.S.

deterrence strategy, however, showed signs of success in that Libya began decreasing its support for terrorist groups operating in Libya and did not conduct any more major attacks against U.S. interests worldwide.

## **V. WILLIAM CLINTON ADMINISTRATION**

### **A. BRIEF HISTORICAL OVERVIEW**

Despite the discovery of continued Libyan efforts to develop their chemical weapons capability,<sup>147</sup> the primary source of friction between the United States and Libya during the Clinton Administration was Libya's continued support to terrorism—more specifically, their unwillingness to renounce terrorism and support the Pan Am 103 and UTA 772 investigations as mandated in UNSCRs 713 and 748. At the outset of his administration, President Clinton called for tightening international sanctions against Libya, including a worldwide oil embargo. Though an oil embargo was never agreed upon, the United Nations did strengthen punitive measures against Libya with the passage of Resolution 883 (November 1993). Clinton also tightened U.S. sanctions in 1996 with the establishment of the Iran-Libya Sanctions Act (ILSA). In an effort yet again to limit cash inflows to the Iranian and Libyan regimes, this very controversial legislation applied sanctions to non-U.S. corporations for investing in Iran and Libya. U.S. allies in Europe disagreed strongly with what they considered an “extraterritorial” application of U.S. laws to European businesses and by May 1998 the Clinton Administration made concessions to ease relations with the European Union.

U.S. influence strategy began to take a turn in late 1998 when the Clinton Administration took the first steps toward conditional engagement with Libya. In an effort described by Secretary of State Albright as “a way to call the Libyan Government’s bluff,” the Clinton Administration acceded to Libya’s demand that the Pan Am 103 trial be moved to a neutral third country—the Netherlands—in exchange for the handover of the suspects.<sup>148</sup> In April of 1999, Qadhafi handed over the two suspects for trial, resulting in the suspension of UN sanctions. Later that same month, the Clinton Administration modified U.S. sanctions, but did not lift them, arguing that Libya still had to fulfill remaining UN requirements, the renunciation of terrorism, cessation of support

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<sup>147</sup> By 1996 the U.S. intelligence determined the Tarhuna complex would be operational as early as 1997 and when complete would be the largest chemical weapons complex in the world.

<sup>148</sup> U.S. Department of State, Secretary of State Madeleine Albright. “Statement on venue for trial of Pan Am #103 Bombing Suspects,” 24 August 1998; available from <http://secretary.state.gov/www/statements/1998/980824a.html>; accessed 4 September 2004.

to terrorist activities, and full compliance with the Pan Am and UTA investigations. Further, the U.S. required that Libya accept responsibility for the Lockerbie bombing and pay compensation to victim's families.

## **B. CHRONOLOGICAL REVIEW OF INFLUENCE STRATEGY RELATED EVENTS**

### **1. Terrorism**

President Clinton made it clear at the outset of his administration that resolution of the Pan Am 103 bombing was the primary issue to improving relations with Libya. In an interview with Egypt's President Mubarak, Clinton articulated U.S. policy towards Libya:

The question was about our policies with regard to Libya. Well, as you know, we have one huge barrier that overrides everything else right now, and that is the determination of the United States to see that the people who have been charged with the Pan Am 103 disaster are released from Libya and subject to a legitimate trial....It is an enormous issue in the United States, and nothing else really can be resolved with regard to Libya until that issue is resolved.<sup>149</sup>

In the same interview, Clinton threatened tougher sanctions in absence of Libyan compliance. "The President [Mubarak] and I discussed this today. I think that it is inevitable that we will press for tougher sanctions if the Government of Libya does not release the people that have been charged."<sup>150</sup> The international community answered the call for tighter sanctions against Libya in the passage of UNSCR 883 in November 1993. Citing 20 months of non-compliance with previous UN resolutions (731 and 748), UNSCR 883 ordered the freezing of all funds and financial resources owned or controlled by the Government of Libya, with the exception of petroleum related funds, and expanded the list of equipment that member states were prohibited from selling to Libya—primarily petroleum infrastructure-related equipment. <sup>151</sup> Unlike its

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<sup>149</sup> "The President's News Conference with President Hosni Mubarak of Egypt," 6 April 1993; available from *Weekly Compilation of Presidential Documents*, from the 1993 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

<sup>150</sup> Ibid.

<sup>151</sup> United Nations Security Council, *Resolution 883*, 11 November 1993; available from <http://www.un.org/Docs/scres/1993/scres93.htm>; accessed 4 September 2004.

predecessors, UNSCR 883 provided explicit assurances that sanctions would be suspended with both the handover of the Lockerbie suspects and compliance with the UTA investigation, and lifted entirely after full compliance with UNSCRs 731 and 748.

Following UNSCR 883, the Clinton Administration subsequently reinforced the U.S. trade embargo by prohibiting the re-export of U.S. originated goods from third party countries to Libya, including equipment used in the refining and transportation of oil.<sup>152</sup> Furthermore, Clinton called for even stronger measures against Libya, including a world-wide oil embargo:

The United States continues to believe that still stronger international measures than those mandated by UNSC Resolution 883, including a worldwide oil embargo, should be enacted if Libya continues to defy the international community. We remain determined to ensure the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice.<sup>153</sup>

Clinton's determination to increase pressure on state sponsors of terrorism would reach its peak in late 1996. During the first few years of his administration, the U.S. had suffered a series of minor attacks on persons overseas and at least two major attacks: the 1993 World Trade Center car bombing and the 1996 Khobar Towers truck bombing. Additionally, the world witnessed the first use of chemical weapons in a terrorist attack in 1995 when the Aum Shinri-kyu cult used Sarin gas against passengers in two different Tokyo subway stations. In mid-1995 Clinton began speaking about the nexus of rogue states, international terrorism, and weapons of mass destruction and the need to contain states involved in these activities, namely Iran, Iraq, and Libya.<sup>154</sup> The outcome of this discussion was a three-part strategy aimed at eliminating terrorism, step one being the containment of state sponsors. To that end, Clinton signed the five-year Iran-Libya

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<sup>152</sup> "Message to the Congress on Libya," 10 February 1994; available from *Weekly Compilation of Presidential Documents*, from the 1994 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

<sup>153</sup> Ibid.

<sup>154</sup> "Remarks at the World Jewish Congress Dinner in New York City," 30 April 1995; "Remarks to the American Israel Public Affairs Committee Policy Conference," 7 May 1995; "Remarks on American Security in a Changing World at George Washington University," 5 August 1996, and "The Presidents Radio Address," 19 August 1996; available from *Weekly Compilation of Presidential Documents*, from the 1995 and 1996 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

Sanctions Act (ILSA) on August 5, 1996. This controversial legislation placed sanctions on non-U.S. companies investing money in Iran or Libya.<sup>155</sup> The intent of this measure was to target foreign investment in Iranian and Libyan petroleum sectors; in so doing, the U.S. hoped to limit Iranian and Libyan capabilities to finance terrorist operations and weapons of mass destruction programs.<sup>156</sup>

ILSA was not well received by U.S. allies, particularly European countries who felt that U.S. laws were being applied extraterritorially to their citizens. As discussed in previous chapters, Europe and the United States were not always in agreement on how to manage terrorist threats, with European states generally preferring, on a state-to-state level, diplomacy and engagement with Libya over sanctions and coercive diplomacy. To avoid a major trade dispute between the U.S. and the EU, its largest trade and investment partner, Clinton waived ILSA sanctions against the first European-based sanctions violator in May of 1998. This waiver and the U.S. promise of future waivers for similar violators were accompanied by assurances from the EU of increased cooperation on non-proliferation and counter-terrorism issues.<sup>157</sup>

## **2. Weapons of Mass Destruction**

Though terrorism was the primary sticking point in the U.S.-Libyan relationship during the Clinton Administration, Libya's continued pursuit of a chemical weapons capability became an issue again in 1996. Concerns emerged around this time that Libya was nearing completion of a large, secure chemical weapons complex at Tarhuna, which when complete would be the largest underground chemical weapons plant in the world.<sup>158</sup> Then Secretary of Defense William Perry made it clear in an interview that the United States had no intention of allowing the plant to become fully operational, hinting

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<sup>155</sup> "ILSA requires the President to impose at least two out of a menu of six sanctions on foreign companies that make an 'investment' of more than \$20 million in one year in Iran's energy sector, or \$40 million in one year in Libya's energy sector." Kenneth Katzman, "The Iran-Libya Sanctions Act (ILSA)," *CRS Report for Congress*, 2; available from <http://fpc.state.gov/documents/organization/23591.pdf>; accessed 4 September 2004.

<sup>156</sup> "Remarks on Signing the Iran and Libya Sanctions Act of 1996 and an Exchange with Reporters," 5 August 1996; available from *Weekly Compilation of Presidential Documents*, from the 1996 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004. Also, Katzman, 1.

<sup>157</sup> Katzman, 4. Also, "The President's News Conference with European Union Leaders in London, United Kingdom," 18 May 1998; available from *Weekly Compilation of Presidential Documents*, from the 1998 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

<sup>158</sup> Philip Shenon, "Perry, in Egypt, Warns Libya to Halt Chemical Weapons Plant." *New York Times*, 4 April 1996, A6 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 4 September 2004).

at a willingness to use force, even nuclear weapons, as needed.<sup>159</sup> Qadhafi's response was to claim that the Tarhuna complex was part of his Great Man-Made River Project to provide better irrigation to northern Libya and not a chemical weapons plant.<sup>160</sup>

Despite the threatened use of force, Assistant Secretary of Defense Kenneth Bacon followed up the Perry statements with assurances that the United States was pursuing diplomatic and economic tools as a "first line of defense" against the completion of Tarhuna:

[O]ur first line of preventive defense is diplomacy. Diplomacy has worked in this connection before. We believe it will work again. We're not trying to saber-rattle in this. We want to be very clear. We are not talking about using nuclear weapons against the Tarhuna Plant.<sup>161</sup>

True to form, the Clinton Administration did pursue this issue further via diplomatic means—the ratification of the Chemical Weapons Convention (CWC).<sup>162</sup>

### C. SUMMARY OF INFLUENCE POLICY AND LIBYAN RESPONSE

It is clear that Clinton believed in the fundamental building blocks of the U.S. influence policy toward Libya, namely the denial of resources needed to fund terrorism and produce WMD. He validated and strengthened the previously established compellence and deterrence policy by continuing the national emergency and sanctions regime throughout his administration; he called repeatedly for tighter international

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<sup>159</sup> Given the hardened nature of the Tarhuna complex, the U.S. would likely have had to use a nuclear weapon to penetrate the facility and cause the desired level of damage. "The plant also is virtually impregnable to conventional air attack because of three 450-foot-long tunnels, protected above by 100 feet of sandstone and several feet of reinforced concrete...Apparently, only a direct hit on the top of the mountain with a nuclear warhead would be capable of destroying the facility." Joshua Sinai, "Libya's Pursuit of Weapons of Mass Destruction," *The Nonproliferation Review* (Spring-Summer 1997): 95.

<sup>160</sup> Shenon. Also, Lauren Newhous, "Libya Profile: Chemical Chronology: 1920-2001," *Nuclear Threat Initiative Homepage*; available from [http://www.nti.org/e\\_research/profiles/Libya/3951.html](http://www.nti.org/e_research/profiles/Libya/3951.html); accessed 4 September 2004.

<sup>161</sup> U.S. Department of Defense, Assistant Secretary of Defense for Public Affairs, Kenneth Bacon. "DoD News Briefing," 7 May 1996; available from [http://www.dod.mil/transcripts/1996/t050796\\_t0507asd.html](http://www.dod.mil/transcripts/1996/t050796_t0507asd.html); accessed 31 October 2003.

<sup>162</sup> The Chemical Weapons Convention (CWC) was created to ensure the disarmament of chemical weapons under precise international controls. Signatories pledged to destroy their existing chemical weapons and production facilities. The convention punishes non-signatories by denying them access to treaty-controlled chemicals. Initially there was disagreement between the executive and legislative branches on details of the convention, but the U.S. did eventually ratify the CWC on 24 April 1997. Information on the CWC available online from [http://www.opcw.org/html/db/cwc/eng/cwc\\_frameset.html](http://www.opcw.org/html/db/cwc/eng/cwc_frameset.html); accessed 5 September 2004.

sanctions against Libya in response to their unwillingness to comply with international demands, including a worldwide oil embargo; and at the risk of damaging relations with U.S. allies in Europe, he signed the Iran-Libya Sanctions Act to further limit Libyan ability to sponsor terrorism. What is unique about Clinton's approach to Libya, however, is that after having strengthened the compellence and deterrence policy and still having facilitated no change of behavior in Libya, his administration changed tactics and pursued a policy of limited conditional engagement—a policy which resulted ultimately in the handover of the two Lockerbie suspects.

### **1. Compellence Analysis**

In examining the U.S. compellence policy towards Libya during the Clinton Administration, there is one factor among Robert Art's seven that argues most strongly for the success of that policy: *Influencing state's determination to act*. Clinton demonstrated a strong determination to act against terrorism in particular in his tough stand against Qadhafi's intransigence—demanding harsher multilateral measures, such as a worldwide oil embargo, and threatening tougher U.S. sanctions. Both calls were met with success, first in the tightening of UN sanctions (UNSCR 883) and then in the passage of the Iran-Libya Sanctions Act. The controversial nature of ILSA, and in particular the damage it did to relations with U.S. allies in Europe prior to its first relaxation in 1998, were further testimony to Clinton's determination to continue punitive measures against Libya.

### **2. Deterrence Analysis**

The deterrence policy regarding Libyan support to terrorism had at last succeeded. Libya sponsored no major terrorist acts against U.S. interests after the 1988 Pan Am 103 bombing and expelled its most notorious terrorist—Abu Nidal—in 1998. The deterrence policy towards WMD, however, was unsuccessful. What was the reason for this difference in deterrence outcomes? In their management of the deterrence policy, the Clinton Administration *identified terrorism or WMD-related activities as unacceptable, signaled a resolve to punish terrorism and WMD-related behavior, demonstrated a resolve, and maintained a credibility to enact the threats*. In these four steps, the Clinton Administration met the criteria for successful deterrence. So why did the policy fail with WMD? The likely answer is found in the way the two different issues were handled.



With regard to terrorism, the U.S. and UN applied ever tighter sanctions to punish previous terrorist-related activity and Qadhafi's unwillingness to renounce future activity. With time, Qadhafi's intransigence was met with harsher punitive measures. The cost, therefore, of association with terrorism was increasingly high and, at some point in Tripoli's calculations, began to outweigh the benefit of participating in such activities. The subject of weapons of mass destruction as an issue of contention between Libya and the U.S. and (and ostensibly Libya and the rest of the world) was handled much differently. As previously demonstrated, concerns over Libya's chemical weapons program was added to the existing terrorism-based U.S. compellence and deterrence policy during the Reagan Administration. Though the international community joined in a strong consensus against Libyan support to terrorism after Lockerbie and UTA 772, there was no similar consensus against Libyan WMD activities, and therefore no WMD-related multilateral sanctions. Instead of strongly pursuing punitive measures for WMD in particular, the U.S. instead sought international diplomatic channels to increase the cost, namely the Paris Chemical Weapons Convention of 1989 and later George H.W. Bush's "major diplomatic campaign." According to Thomas Wiegele, an expert on Libyan chemical weapons programs, the week-long Paris conference served to make the world aware of the problematic nature of chemical weapons, but did not go far in pressuring Libya to cancel its program:

If the United States conceived of the conference as a mechanism to alert the world to general problems of chemical weaponry, the conference was probably as success. If, however, the aim of the conference was to put pressure on Libya to halt its activities at Rabta, the conference must be considered something short of successful.<sup>163</sup>

Furthermore, though Bush's diplomatic campaign likely had some success on limiting allied support to WMD infrastructure development in Libya, these diplomatic efforts were insufficient to deter Libyan WMD production. Though Tripoli temporarily ceased production at the Rabta plant in the early nineties, the Tarhuna plant, an even larger and more hardened facility was later discovered in 1996. As will be demonstrated in the

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<sup>163</sup> St John, 2002, 160; quoting Thomas C. Wiegele, *The Clandestine Building of Libya's Chemical Weapons Factory: A Study of International Collusion* (Carbondale: Southern Illinois University Press, 1992), 68-69.

George W. Bush chapter, Libya's WMD activities would eventually include a rudimentary nuclear program which they would fully not admit and ultimately cancel until 2003.

### **3. Conditional Engagement Analysis**

In a small but dramatic change of policy towards Libya, the Clinton Administration acceded to Libyan demands that the Pan Am 103 trial take place in a neutral third party country—the Netherlands. The announcement of this concession by then Secretary of State Albright in August of 1998 was accompanied by an admission that sanctions were not working to bring the Lockerbie case to trial and a new approach was needed. Though this was a non-punitive move, a first in U.S. policy towards Libya, the offer was accompanied by very clear boundaries:

[T]oday, I'm announcing another effort to bring terrorists to justice. It has been a decade since Pan Am flight 103 exploded over Lockerbie, Scotland....Unfortunately, year after year has passed without resolution. The sanctions have not altered Libyan intransigence....The cause of justice was not being served....We now challenge Libya to turn promises into deeds...the plan the US and UK are putting forward is a "take-it-or-leave-it" proposition. It is not subject to negotiation or change, nor should it be subject to additional foot dragging.<sup>164</sup>

The United Nations welcomed this concession and shortly thereafter passed UNSCR 1192 reaffirming previous resolutions, assuring the immediate suspension of sanctions with the handover of the suspects, and threatening additional punitive action should Libya delay further.<sup>165</sup> Four months later, after having received mixed signals from Qadhafi, President Clinton made reference to the Netherlands offer and threatened additional punitive action should the trial be delayed further:

Since then the Libyan leader, Mr. Qadhafi, has given us mixed signals. We believe there is still some possibility he will accept our offer...But let me be absolutely clear to all of you: Our policy is not to trust Mr. Qadhafi's claims; it is to test them. This is a take-it-or-leave-it offer. We will not negotiate its terms...if the suspects are not turned over by the time

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<sup>164</sup> Albright.

<sup>165</sup> United Nations Security Council, *Resolution 1192*, 27 August 1998; available from <http://www.un.org/Docs/scres/1998/scres98.htm>; accessed 4 September 2004.

of the next sanctions review, we will work at the United Nations with our allies and friends to seek yet stronger measures against Libya.<sup>166</sup>

These positive incentives coupled with threats of punitive action were a clear sign of an effort to engage Libya in order to facilitate behavior change. The engagement was conditional in that the U.S. expectation was a reciprocation of concessions by Libya in the form of the handover of the two Lockerbie suspects. Given the lack of trust between the two countries and the lack of success of the compellence and deterrence policy in facilitating the handover of the suspects, conditional engagement had great potential to be successful—and ultimately it was.

On April 5, 1999, the 13<sup>th</sup> anniversary of the Berlin La Belle discothèque bombing, the Libyan government handed over to British Authorities the two Pan Am 103 suspects, Abdel Basset Ali Megrahi and Lamén Khalifa Fhimah. As promised, UN sanctions were immediately suspended, but not lifted; U.S. sanctions were modified, but also were not lifted. In his July 19, 1999 message to Congress on the national emergency with Libya, Clinton reported he had eased the trade embargo with respect to commercial sales of agricultural commodities and products, medicine, and medical equipment; however the national emergency and economic sanctions would remain. Though U.S. and Libyan relations were finally moving in the direction of reconciliation, the Clinton Administration maintained that Libya must fully comply with UN resolutions: “We will insist that Libya fulfill the remaining UNSCR requirements for lifting UN sanctions and are working with UN Secretary Annan and UN Security Council members to ensure that Libya does so promptly.”<sup>167</sup>

The Clinton Administration made clear their expectation that, in keeping with UN and U.S. demands, the Government of Libya would take concrete steps to demonstrate a renunciation of terrorism, cease all forms of terrorist action, including assistance to

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<sup>166</sup> “Remarks on the 10<sup>th</sup> Anniversary of the Pan Am Flight 103 Tragedy in Arlington, Virginia,” 21 December 1998; available from *Weekly Compilation of Presidential Documents*, from the 1998 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

<sup>167</sup> “Message to the Congress Reporting on the National Emergency with Respect to Libya,” 19 July 1999; available from *Weekly Compilation of Presidential Documents*, from the 1999 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

terrorist groups, acknowledge responsibility for the Pan Am 103 bombing, and pay restitution to the victim's families. In his testimony before the House Subcommittee on Africa Ronald Neumann, Deputy Assistant Secretary of State for the Near East, clearly laid out this expectation:

Only when Libya has complied fully...will we be able to consider lifting U.S. Sanctions. Right now, such steps would be premature....We expect Libya to fulfill all of the UNSC requirements, renounce and end all support for terrorist activities, acknowledge responsibility for the actions of its officials, cooperate with the trial...and pay appropriate compensation.”<sup>168</sup>

Though Libya would not meet these requirements during the Clinton Administration, the door had been opened through conditional engagement for Libyan behavior change and with the continuation of this strategy of compellence and conditional engagement the subsequent administration would see the benefits.

#### **D. ASSESSED EFFECTIVENESS OF STRATEGY**

Clinton's continual pressure on Libya and his pressure on the international community to strengthen sanctions against Libya helped to continue the economic and diplomatic isolation of the Qadhafi regime. Though this was integral to achieving the U.S. government's objective of limiting Qadhafi's ability to sponsor terrorism, it was not effective, even after ten years (1988-1998), in forcefully persuading Qadhafi to comply with the Pan Am 103 trial, much less in leading the Libyan government to a renunciation of terrorism. At best, the compellence and deterrence policy set the conditions in Libya through diplomatic and economic isolation for a favorable Libyan response to a strategy of limited conditional engagement.

Clinton's pursuit of limited conditional engagement opened the door to a series of small put positive steps by both states. In addition to handing over the Lockerbie suspects, Qadhafi closed the Libyan training camps of infamous international terrorist Abu Nidal. The Clinton Administration perceived this move as a concrete step toward renouncing terrorism. A State Department spokesperson concluded, “As far as we can

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<sup>168</sup> U.S. Department of State, *Deputy Assistant Secretary of State for the Near East Testimony before House subcommittee on Africa*, 22 July 1999; available from <http://usembassy.state.gov/malta/wwwhlib2.html>; accessed 31 October 2003.

tell, the Libyan government's actions are not window-dressing, but a serious, credible step to reduce its involvement with that terrorist organization.”<sup>169</sup> In response, the Clinton Administration modified sanctions as previously discussed, did not object at the suspension of UN sanctions, and also allowed four U.S. oil companies to travel to Libya to assess the status of their holdings. Though these were small steps, they were steps towards facilitating the U.S. and internationally desired behavior change in Libya.

## **E. CONCLUSION**

Throughout his presidency, Clinton maintained pressure on Libya to comply with UN resolutions regarding Libyan support of terrorism and the Pan Am 103 trial. He strengthened the existing U.S. compellence and deterrence efforts by tightening U.S. sanctions and passing the Iran-Libya Sanctions Act. His calls for increased measures against Libya and concurrent Libyan intransigence were met with strengthened UN sanctions. After having strengthened punitive measures against Libya, his administration then changed tactics and began to slowly pursue a policy of limited conditional engagement. U.S. willingness to accede to Libyan demands that the Lockerbie trial be held in a neutral third party country was met, several months later, with the handover of the two Lockerbie suspects. Though a small step, the handover of the Lockerbie suspects was a catalyst to resolution of UN resolution requirements and the necessary step towards improving relations with the United States. Though Libya did not meet all UN and U.S. requirements during the Clinton Administration, the door was opened to further conditional engagement between the U.S. and Libya.

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<sup>169</sup> Ronald Neumann, Deputy Assistant Secretary of State for the Near East, in John Lancaster, “U.S. Moves Toward Better Ties to Libya: Administration Cites Moderation by Gadhafi.” *Washington Post*, 24 December 1999, A9 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 4 September 2004).

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## VI. GEORGE W. BUSH ADMINISTRATION

### A. BRIEF HISTORICAL OVERVIEW

Terrorism and weapons of mass destruction have been the two dominant issues in U.S. foreign policy during the George W. Bush Administration. Both were considered to be the primary threats to U.S. national security and both resulted in major military operations—*Enduring Freedom* and *Iraqi Freedom*. The Bush Administration combined harsh rhetoric with strong action in its stance against the nexus of rogue states, terrorism, and WMD. After the infamous “Axis of Evil” speech, there were few in doubt worldwide as to the position of the United States on countries sponsoring terror or trafficking in WMD.

The Bush Administration was able to achieve the long sought after goal of Libyan behavior change. In August of 2003, the Libyan government accepted formal responsibility for the actions of convicted Lockerbie bomber, Abdel Basset Ali Megrahi, and agreed to pay compensation to the families of those killed in the attack.<sup>170</sup> In December of 2003 and later in May of 2004, the Libyan government renounced its pursuit of WMD, acceded to the Chemical Weapons Convention, and announced it would stop all military-related trade with suspected WMD and missile proliferators North Korea, Iran, and Syria.<sup>171</sup> The Bush Administration did not facilitate this change in Libya by its policy alone; rather, Bush built upon the influence strategy created and shaped by the Reagan, Bush senior, and Clinton administrations. Having said this, the Bush Administration did however provide several unique contributions to the existing strategy that likely helped facilitate Libyan behavior change. Two in particular are worthy of attention in this chapter: first, Bush’s hard rhetoric and strong actions against other rogue regimes provided for a *bonus coercive effect* on Libyan behavior; and second, Bush’s willingness to continue conditional engagement with Libya, despite his hardline stance on rogue states, allowed for continued trust building and dialogue between the two states, paving the way for Libyan renunciation of terrorism and WMD.

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<sup>170</sup> The other Libyan indicted in the Lockerbie bombing, Lamen Khalifa Fhimah, was acquitted on 31 January 2001.

<sup>171</sup> Judith Miller, “Libya Halts Military Trade with North Korea, Syria and Iran.” *New York Times*, 14 May 2004, A4 [information online]; available from *ProQuest*, <<http://www.proquest.umi.com/login>> (accessed 1 July 2004).

## **B. CHRONOLOGICAL REVIEW OF INFLUENCE STRATEGY RELATED EVENTS**

### **1. Bush Administration Policy Pre-9/11**

Shortly after Bush assumed the presidency, the Lockerbie trial concluded with conviction of one of the two indicted Libyans, Abdel Basset Ali Megrahi. Qadhafi's reaction to the verdict was to claim that the Government of Libya had no connection with the Lockerbie bombing and to refuse the idea of compensating victim's families.<sup>172</sup> In the same interview, however, Qadhafi signaled that the state of Libya was willing to seek peaceful relations with the United States, should the U.S. choose to seek peaceful resolution of past conflicts. Qadhafi declared, "If the US wants peace, we also want peace and we have no interest in war and confrontation."<sup>173</sup> When asked whether the conviction would result in a change in U.S. policy towards Libya, namely the lifting of U.S. sanctions, Bush indicated that his intention was to continue sanctions until the Libyan government admitted to their complicity in the Lockerbie bombing and paid restitution to families.<sup>174</sup> True to his word, Bush renewed the national emergency and economic sanctions against Libya at each six month renewal point. Additionally, despite his uncertainty over the effectiveness of sanctions, he ultimately approved a five-year extension of the controversial Iran-Libya Sanctions Act (ILSA), arguing that the Libyan government had yet to meet all of the UN resolution demands.<sup>175</sup>

### **2. 9/11 and the Bush Doctrine**

The audacious and piercingly tragic attacks of September 11, 2001 ushered in a new era in U.S. policy. In their aftermath, the people and government of the United

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<sup>172</sup> "Libya: Al-Qadhafi responds to Lockerbie verdict." *BBC Monitoring International Reports*, 5 February 2001 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 19 August 2004).

<sup>173</sup> Ibid.

<sup>174</sup> "Remarks Prior to a Cabinet Meeting and an Exchange with Reporters," 31 January 2001; available from *Weekly Compilation of Presidential Documents*, from the 2001 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.

<sup>175</sup> In August of 2001 ILSA was up for its first five-year renewal. Unlike Congressional leaders who were pressing for a full five-year extension, the Bush Administration wanted instead to renew ILSA for two years pending a comprehensive review of the effectiveness of the sanctions—arguing that ILSA had damaged allied relations and had not been effective in changing Iranian or Libyan behavior. Ultimately, however, the Bush Administration acceded to Congressional demands and extended the sanctions for five more years. Alan Sipress, "Bush Seeks Shorter Term for Iran-Libya Sanctions." *Washington Post*, 9 June 2001, A20 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 5 September 2004). Also, "Statement on Signing the ILSA Extension Act of 2001," 3 August 2001; available from *Weekly Compilation of Presidential Documents*, from the 2001 Presidential Documents online via GPO Access; available from <http://www.gpoaccess.gov/fr/index.html>; accessed 17 August 2004.



States found a new resoluteness in the fight against terrorism; a swift and determined momentum to search out terrorists and bring them to justice. This new paradigm guiding U.S. foreign policy was articulated in Presidential speeches and also in foundational documents such as *The National Security Strategy of the United States* (September 2002), the *National Strategy to combat Weapons of Mass Destruction* (December 2002) and the *National Strategy for Combating Terrorism* (February 2003). The Bush Doctrine shifted the U.S. approach from fighting terrorism as a law enforcement issue, as in the case of Pan Am 103, to an issue of war between states, terrorists, and those who sponsor and support them. An administration official described it in the following manner: “We must eliminate the scourge of international terrorism. In order to do that, we need not only to eliminate the terrorists and their networks, but also those who harbor them.”<sup>176</sup> This new paradigm of “offensive defense” divided the world in a binary fashion: those supporting the United States in their Global War on Terror and those supporting terrorists. Further, the Bush Doctrine articulated a willingness to act unilaterally and preemptively to prevent future attacks on U.S. persons and interests.<sup>177</sup>

The first manifestation of the Bush Doctrine was the 2001 *Operation Enduring Freedom*—a swift and effective attack on the Taliban regime and Al-Qaeda elements in Afghanistan. The second, more controversial manifestation was the 2003 *Operation Iraqi Freedom*—the hunt for weapons of mass destruction, removal of the Saddam Hussein regime, and establishment of democratic governance in Iraq. During both of these operations, the Bush Administration actualized their policy against rogue regimes, one with terrorist links, and the other with suspected WMD links. The Bush Doctrine was significant in its boldness and the momentum with which the Bush Administration pursued its mandates. With the whole world attentive to U.S. foreign policy moves, it is hard to imagine that Qadhafi was not listening.

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<sup>176</sup> Karen DeYoung, “Allies are Cautious on ‘Bush Doctrine’.” *Washington Post*, 16 October 2001, A1 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 5 September 2004).

<sup>177</sup> President, Strategy Document, *The National Security Strategy of the United States of America*, (Washington, D.C., Sep 2002), 6.

### **3. The Road to Reconciliation**

#### ***a. British Efforts***

Despite the support and strength of the Bush Doctrine and the momentum following 9/11, these measures alone did not bring Libya back into the international fold. In conjunction with conditional engagement, British diplomacy worked in tandem with the Bush Administration's hardline policy to facilitate Libyan behavior change. The United Kingdom severed diplomatic ties with Libya in 1984 after policewoman Yvonne Fletcher was shot from a window of the Libyan embassy in London. As with the 1988 Lockerbie bombing, Tripoli initially refused to accept responsibility for the act; in 1999, however, they both accepted responsibility and agreed to pay compensation to her family. Britain then restored diplomatic relations and subsequently took a leading role in mediating the resolution of first the Lockerbie settlement and later the U.S. WMD concerns. In the latter case, Libyan intelligence officials contacted British MI6 officials to seek their support in resolving U.S. WMD concerns as early as March 2003—just before the beginning of *Operation Iraqi Freedom*.<sup>178</sup> Between March and December 2003 British and U.S. diplomats worked with their Libyan counterparts to hash out the details of what would be Libya's December 19 renunciation of WMD. British diplomatic efforts served as a balance to U.S. punitive rhetoric and actions and provided a means to positive reconciliation of the Libyan relationship with the international community and the United States.

#### ***b. Bush Administration Efforts***

When an appellate court upheld the Lockerbie ruling and conviction of Megrahi in March of 2002, the Bush Administration responded with its intention to maintain sanctions against Libya and oppose permanently lifting the suspended UN sanctions until Libya complied fully with UN resolution requirements. In May of 2002, the Lockerbie legal team announced the Libyan government had agreed to a compensation package for the Lockerbie families. Though Libya had now taken a second concrete step towards fulfilling both UN and U.S. requirements, the Bush Administration, perhaps reading in Libya's moves a desire to return to the international community, articulated its concern about remaining UN requirements and Libyan WMD activities.

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<sup>178</sup> Patrick E. Tyler, "Libyan Stagnation a Big Factor in Qaddafi Surprise." *New York Times*, 7 January 2004, A1 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 14 September 2004).

The Director of Central Intelligence reported to Congress in both 2002 and 2003 that Libya was continuing to pursue offensive nuclear, chemical, and biological weapons capability and since the lifting of UN sanctions had renewed contacts necessary to do so.<sup>179</sup> In March of 2003, just prior to commencement of Operation Iraqi Freedom, Libyan diplomats approached their British counterparts to seek resolution to the WMD issue.

In a letter to the UN in August of 2003, the Libyan government formally accepted responsibility for the Lockerbie bombing and agreed to the previously arranged compensation package. The United Nations welcomed this move and within a month formally lifted the sanctions it imposed first in 1992. Though U.S. sanctions remained unchanged, the Bush Administration did not oppose the lifting of UN sanctions. The U.S. representative to the UN, James Cunningham articulated the Bush Administration's firm position and residual WMD concerns:

Libya has now addressed the remaining UN requirements related to the Pan Am 103 bombing....In recognition of these steps...the United States has not opposed the formal lifting of the United Nations sanctions on Libya....Our decision, however, must not be misconstrued by Libya or by the world community as tacit U.S. acceptance that the Government of Libya has rehabilitated itself. The United States continues to have serious concerns about other aspects of Libyan behavior...most important—its pursuit of weapons of mass destruction (WMD) and their means of delivery....The United States will intensify its efforts to end Libya's threatening actions. This includes keeping U.S. bilateral sanctions on Libya in full force.<sup>180</sup>

Finally, on 19 December 2003, after months of diplomacy, the Libyan Foreign Minister announced his country's intention to renounce their pursuit of weapons of mass destruction, including full disclosure of their programs and international verification, and

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<sup>179</sup> Central Intelligence Agency, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January Through 30 June 2002"; available from [http://www.cia.gov/cia/reports/721\\_reports/jan\\_jun2002.html](http://www.cia.gov/cia/reports/721_reports/jan_jun2002.html); accessed 6 September 2004. Central Intelligence Agency, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January Through 30 June 2003"; available from [http://www.cia.gov/cia/reports/721\\_reports/jan\\_jun2003.htm](http://www.cia.gov/cia/reports/721_reports/jan_jun2003.htm); accessed 6 September 2004.

<sup>180</sup> U.S. Department of State, "Resolution to Lift Sanctions Against Libya," 12 September 2003; available from <http://www.state.gov/p/io/rls/rm/2003/24068pf.htm>; accessed 6 September 2004.

accession to the existing WMD-related protocols.<sup>181</sup> President Bush hailed Libya's decision and affirmed this step towards better relations with the United States. In the months that followed this decision, the U.S. and Libya both took reciprocal positive steps toward reconciling the relationship. These steps included increased diplomatic contacts, Libyan handover of precursor raw materials and centrifuge parts for its nuclear weapons program, the lifting of U.S. travel restrictions to Libya, the termination of ILSA and modification of U.S. sanctions, Libyan renunciation of trade with WMD and missile proliferators, and the restoration of direct diplomatic ties (though not full diplomatic relations) between the two countries.

### **C. SUMMARY OF INFLUENCE POLICY**

Like those before him, Bush continued the basic U.S. compellence and deterrence policy against Libya, continuing the national emergency and economic sanctions, as well as extending the Iran-Libya Sanctions Act for five more years. What he contributed uniquely to facilitating Libyan behavior change, however, was a combination of a hardline, aggressive foreign policy doctrine and a willingness to continue limited engagement with Libya. The advantage of the former was a powerful bonus coercive effect on Libya; the latter a continuation of trust building steps towards reconciliation.

#### **1. Bonus Coercive Effect**

As defined in chapter IV, *bonus coercive effect* refers to advantageous coercive influence on a third-party state based on unrelated coercive measures applied by the influencing state to another target state. After 9/11 and the establishment of the Bush Doctrine, the Bush Administration made several foreign policy moves that, while not directly aimed at Libya, likely had the effect of influencing them none the less. Actions taken against a series of rogue states, for issues similar to those which were problematic in the U.S.-Libyan relationship, may have tipped the scales towards Libyan behavior change. *Operation Enduring Freedom*, the first actualization of the Bush Doctrine, received widespread international support and resulted in regime change in a rogue state supporting terrorists. *Operation Iraqi Freedom*, the second major actualization of the Bush Doctrine, was a preventive war against yet another rogue state with suspected links to WMD and terrorism. Though this operation received little international support, the

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<sup>181</sup> White House, "Fact Sheet: The President's National Security Strategy to Combat WMD: Libya's Announcement," 19 December 2003; available from <http://www.whitehouse.gov>; accessed 12 July 2004.

Bush Administration disregarded international criticism and acted almost unilaterally, in keeping with its doctrinal prescriptions. U.S. willingness to make such a major foreign policy move without international backing demonstrated the power and resolve of the Bush Administration to neutralize perceived threats.

Shortly after the end of *Iraqi Freedom*, President Bush announced a third actualization of his foreign policy doctrine—the Proliferation Security Initiative (PSI)—a partnership of states seeking to interdict proliferation of WMD and missile technology at sea, in the air, or on land. In testimony before the House International Relations Committee, Under Secretary of State for Arms Control and International Security, John Bolton, articulated Bush’s larger strategy to stop WMD proliferation:

We aim ultimately not just to prevent the spread of WMD, but also to eliminate or “roll back” such weapons from rogue states and terrorist groups that already possess them or are close to doing so....While we pursue diplomatic dialogue wherever possible, the United States and its allies must be willing to deploy more robust techniques, such as (1) economic sanctions; (2) interdiction and seizure...and (3) as the case of Iraq demonstrates, preemptive military force where required....Proliferators—and especially states still deliberating whether to seek WMD—must understand that they will pay a high price for their efforts.<sup>182</sup>

Four months later, in October 2003, again demonstrating resolve behind the rhetoric, an American-led PSI team interdicted a German-flagged ship, *BBC China*, bound for Libya with 1000 fully assembled gas centrifuges and related components. This was the first and only PSI intercept of WMD-related cargo bound for Libya.

All these post-9/11 foreign policy moves and their bonus coercive effect served to strengthen U.S. compellence and deterrence policy in three particular ways. First, the United States clearly communicated their *determination and capability to act*. With *Iraqi Freedom* they further demonstrated a willingness and capability to protect U.S. interests in the face of widespread international disapproval. Second, the attacks of 9/11 and the international outrage they engendered turned the tide of *motivation to prevail* between the

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<sup>182</sup> U.S. Department of State, John R. Bolton, “Testimony before the House International Relations Committee: US Efforts to Stop the Spread of Weapons of Mass Destruction,” 4 June 2003; available from <http://www.state.gov/t/us/rm/21247.htm>; accessed 6 September 2004.

U.S. as the influencing state and Libya as the target state. Though this likely would have been the case regardless of how long U.S. and UN sanctions had been in place, the eleven years of combined sanctions set the conditions for this change in motivational tide. Third, Bush communicated a *clear sense of urgency* in his post-9/11 doctrine—“you are with us or you are with the terrorists”—and actions—*Enduring Freedom* and *Iraqi Freedom*.

Not everyone is convinced, however, that Bush Administration policies, particularly the war in Iraq, were the key to Libyan behavior change. Many argued after Libya’s December 2003 announcement that international diplomacy and the willingness of first Clinton then Bush to engage in conditional engagement were the critical factors in Libya’s return to the international community. In his assessment of Libyan foreign policy change, Flynt Leverett, senior director for Middle Eastern affairs at the National Security Council (2002-2003), argued for the application of both sticks and carrots: “The lesson [from Libya’s behavior change] is incontrovertible: to persuade a rogue regime to get out of the terrorism business and give up its weapons of mass destruction, we must not only apply pressure but also make clear the potential benefits of cooperation.”<sup>183</sup>

## **2. Conditional Engagement Analysis**

In conjunction with a demonstrated hardline, coercive policy on rogue states, the Bush Administration left the door open to conditional engagement with Libya. As described in chapter V, the Clinton Administration was the first to initiate a policy of limited conditional engagement with Libya in offering to move the Lockerbie trial to a neutral third-party country; this action resulted in the first step towards rehabilitating the U.S.-Libya relationship—the handover of the two Lockerbie suspects. Trust building and reciprocation began initially during the George W. Bush Administration with the Libyan government’s indications they would be willing to pay restitution to Lockerbie families. Though the Bush Administration welcomed a move in this direction, the dialogue turned rapidly to weapons of mass destruction and U.S. concerns over Libya’s proliferation activities.

After Libya had formally accepted responsibility for the Pan Am bombing and committed to a compensation package, the dialogue between the U.S. and Libya, assisted

<sup>183</sup> Flynt Leverett, “Why Libya Gave Up on the Bomb.” *New York Times*, 23 January 2004.

greatly by British diplomatic efforts, took on the language of incrementalized, conditional engagement. For each step Libya would take, the U.S. would recognize and reward the action, acknowledging that progress had been made towards reconciliation; then the Administration would articulate its next expectation. A chronological series of this dialogue and incremental exchange follows:

- Libya formally acknowledged responsibility for Lockerbie. The U.S. did not oppose the UN lifting sanctions and concurrently expressed concern over Libyan pursuit of WMD;
- The Libyan government pledged to eliminate its WMD programs and corresponding missile delivery systems. President Bush acknowledged this move as an important step in “the process of rejoining the community of nations” and urged Libya to fulfill its pledge so that relations with the United States could be restored<sup>184</sup>;
- Libya took steps to fulfill its WMD pledge, including surrendering precursor materials and equipment. The U.S. rescinded travel restrictions and invited Libya to establish an Interests Section in Washington, promising as Libya continued to fulfill its December 2003 pledge to “continuously evaluate the range of bilateral sanctions”<sup>185</sup>;
- Libya joined the Chemical Weapons Convention, destroyed all of its declared unfilled chemical munitions, and modified or destroyed key elements of its ballistic missile force. In return the U.S. terminated ILSA, modified economic sanctions to allow resumption of most commercial activities, and established a U.S. Liaison Office in Tripoli.<sup>186</sup>

Libyan moves were repeatedly met with U.S. political and economic rewards and assurances of better relations with continued progress towards elimination of their WMD capability. Through this reciprocation of actions it is clear that both the U.S. and Libya wanted Tripoli to make the changes required to bring it back into the international community. The incrementalized approach to engagement allowed trust to build between the countries and also provided time to verify actions by each state.

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<sup>184</sup> White House, “Remarks by the President: Libya Pledges to Dismantle WMD Programs,” 19 December 2003; available from <http://www.whitehouse.gov/news/releases/2003/12/20031219-9.html>; accessed 6 September 2004.

<sup>185</sup> White House, “Statement on Libya,” 26 February 2003; available from <http://www.whitehouse.gov/news/releases/2004/02/20040226-1.html>; accessed 12 July 2004.

<sup>186</sup> White House, “U.S. Eases Economic Embargo Against Libya,” 23 April 2004; available from <http://www.whitehouse.gov/news/releases/2004/04/20040423-9.html>; accessed 12 July 2004.

#### **D. ASSESSED EFFECTIVENESS OF STRATEGY**

Ultimately, the Bush Administration's influence strategy was successful in facilitating the desired Libyan behavior change. As previously established, Bush's policy was successful in part because of the work of previous administrations in isolating and punishing Libya for its involvement in terrorism and weapons of mass destruction. Eleven years of combined U.S. and UN sanctions set the conditions for successful conditional engagement, first in the Clinton Administration, then more fully in the Bush Administration. The terrorist attacks of 9/11 were the tipping event in a major change in the motivation for both the U.S. and Libya. The Bush Administration became resolutely determined to pursue terrorists, even at the cost of damaging U.S. relations with key allies worldwide. Libya saw the willingness of the Bush Administration to back up its rhetoric with actions, including regime change in at least two rogue states. As a result of this policy and of parallel diplomatic efforts by the United Kingdom, Libya acceded to the incrementalized conditional engagement offered by the United States. In so doing, trust was slowly built between the two countries, with each able to demonstrate its commitment to reconciliation in concrete actions.

#### **E. CONCLUSION**

Relations between the United States and Libya during the Bush Administration were characterized by: (1) Bush's refusal to moderate U.S. sanctions towards Libya until Libya complied fully with UN resolution requirements, paid compensation to Pan Am 103 families, and ceased its pursuit of weapons of mass destruction capabilities; (2) Bush Administration rhetoric and actions against rogues, terrorism, and WMD, including two major military operations in the larger Global War on Terror; and (3) the piecemeal positive steps taken by both Libya and the U.S., in a continuation of the limited conditional engagement begun in the Clinton Administration. The sea change in U.S. foreign policy resulting from the 9/11 attacks and the demonstration of U.S. resolve in fighting terrorism and WMD lent credibility to Bush's hardline stance on sanctions against Libya. He clearly was resolved that U.S. sanctions would not be modified until Libya met all its UN requirements with respect to terrorism and U.S. requirements regarding both terrorism and WMD. When Libya demonstrated a willingness to move forward with reentry into the international community, the Bush Administration



reciprocated these positive steps with rewards and assurances of better relations with continued behavior change. Both states were ready to rehabilitate the relationship, though slowly and through trust building measures. The result was Libya's renunciation of terrorism and WMD.

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## VII. CONCLUSION

To complete the analysis of Libya's behavior change regarding terrorism and WMD it is important to consider other factors that may have contributed to the change. This is especially important given the fact that similar U.S. influence strategies toward North Korea and Iran—compellence with both countries and limited conditional engagement with North Korea—have not produced the same long-term, successful behavior change. It is unrealistic to assume that U.S. policy alone led Libya to renounce terrorism and end their pursuit of weapons of mass destruction capability. Factors that may have played a role in Libyan behavior change include: the application and effectiveness of UN sanctions, ideological change in the world political system, namely the ascendancy and strength of the international economy, and domestic (Libyan) political factors. This chapter will briefly assess the role of these three factors in Libyan behavior change and conclude with policy recommendations for future influence efforts.

### A. COMBINED SANCTIONS

There is a debate in the literature as to whether sanctions work to facilitate behavior change in states. In the Libya case, U.S. and UN sanctions worked together to isolate Qadhafi's regime from the world economically and diplomatically. Combined sanctions targeted Libya's petroleum industry—its primary revenue generating industry.<sup>187</sup> This was done to punish Libya for involvement in terrorism and WMD and also to decrease the monies available to the regime to support terrorism and weapons of mass destruction production. The Libyan government estimates their economy suffered \$33 billion in losses due to UN sanctions. The World Bank estimates this figure at \$18 billion.<sup>188</sup>

Because the U.S. and UN sanctions were largely concurrent, it is difficult to determine in the long-term if either was more effective than the other. As seen in the Reagan Administration analysis, U.S. sanctions alone were insufficient to facilitate

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<sup>187</sup> According to New York Times reporting from 1993, Libya receives 98% of its foreign income from oil sales, with European states such as Spain, Germany, and Italy being the primary customers. Institute for International Economics, "Case Studies in Sanctions and Terrorism," [home page online]; available from <http://www.iie.com/research/topics/sanctions/libya3.htm>; accessed 13 July 2004.

<sup>188</sup> Ray Takeyh, "The rogue who came in from the cold," *Foreign Affairs* 80 (May/Jun 2001); available from *ProQuest*, <http://proquest.umi.com/login> (accessed 20 August 2003).

Libyan behavior change in the short-term.<sup>189</sup> The likely reason for this is that Libya's primary trading partners in Europe did not agree with the U.S. influence efforts, namely the use of sanctions and coercive diplomacy;<sup>190</sup> following the U.S. lead and applying sanctions would only serve to hurt their own economies. Additionally, sanctions, even those that are multilateral, may not be sufficient in the short-term in setting the necessary punitive conditions for behavior change.

## **B. IDEOLOGICAL CHANGE IN THE WORLD POLITICAL SYSTEM**

Revolutions, like revolutionaries, grow up and mature. They repent and learn. Weakness creeps into their fists and doubt eats away at their terminology...The days of Carlos, Abu-Nidal...and the Japanese Red Army are gone. The days of...the "La Belle" night club, "Lockerbie" and the "UTA" are gone...The genuine ones are gone and the era of proxies is over. Only Castro is left alone to age in his boat, awaiting his death or an earthquake.<sup>191</sup>

A second area that may have influenced Tripoli's change of heart was Qadhafi's realization that virtually the entire world had changed ideologically and left Libya and its revolution behind. Between the imposition of U.S. sanctions in 1986 and Libya's renunciation of WMD in late 2003, the international system changed dramatically. At the outset of the U.S.-Libyan battle for influence the world was bi-polar and Libya enjoyed a relationship with the Soviet Union—the primary ideological counterweight to the United States. The end of the Cold War brought unipolarity under U.S. economic and political hegemony, and with it the ascendancy of globalization. Anti-imperialism, pan-Arabism and other secular revolutionary ideals have largely dissipated in the face of global economic liberalization. With multilateral sanctions in place and compounded by a poorly managed economy, Libya was left behind both economically and politically.

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<sup>189</sup> Even though U.S. sanctions alone may not have been sufficient to produce the economic and political isolation resulting from the UN sanctions, there must have been something unique in having U.S. investment in Libya. Libya pursued the lifting of U.S. sanctions *after* UN sanctions had been lifted—in effect, courting U.S. investment beyond the international investment that began after the UN sanctions were lifted.

<sup>190</sup> Ray Takeyh, "US-Libya Relations: A Way Forward?" *Policy Brief*, 12 April 2002, 1; available from <http://www.mideasti.org/articles/doc47.html>; accessed 6 August 2004.

<sup>191</sup> "Arabic paper says Libyan leader showed 'skill' in renouncing WMD." *BBC Monitoring International Reports*, 21 December 2003 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 19 August 2004).

Qaddafi thus spent the 1990s on the sidelines while his onetime revolutionary compatriots--leaders such as Nelson Mandela and Yasir Arafat--were feted in Washington and in European capitals. To remain relevant, Qaddafi realized he had to accept the passing of the age of revolutions and the arrival of the age of globalization.<sup>192</sup>

With time, Qadhafi was seen less as a vanguard revolutionary and more as a meddlesome and mercurial despot. Revolutions change with time and after years of isolation, Qadhafi apparently changed with them. "Gaddafi realizes that there is no pan-Arab nationalist revolution to lead, so he would like to end his days as the leader of a prosperous, secure Arab nation."<sup>193</sup> In his September 2000 speech celebrating the anniversary of Libyan Revolution, Qadhafi indicated his own ideological change of heart by declaring, "Now is the era of economy, consumption, markets, and investments. This is what unites people irrespective of language, religion, and nationalities."<sup>194</sup> As Libyan analyst Ray Takeyh commented, "The hoary policies of subsidizing rebellions and plotting the overthrow of sovereign leaders have become unsustainable in the era of economic interdependence—even for oil rich Libya."<sup>195</sup>

### C. DOMESTIC POLITICS

A final factor that may have influenced Libyan behavior change is domestic political pressure. Qadhafi experienced at least two major challenges to his rule: first in 1986, after the *El Dorado Canyon* air strikes, and then again in 1993, just prior to the UN decision to tighten sanctions against Libya (UNSCR 883)—both of which were staged by members of the Libyan army.<sup>196</sup> In addition to the discontent expressed in these uprisings, Qadhafi's regime felt pressure for change (1) as a result of the failure of the *rentier*-state structure, under sanctions, to deliver political complacency and (2) from middle class and technocratic calls for liberalization.

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<sup>192</sup> Takeyh, 2001.

<sup>193</sup> "The World Just Got Safer. Give Diplomacy the Credit." *Washington Post*, 11 January 2004 [information online]; available from *Global NewsBank*, <<http://infoweb.newsbank.com>> (accessed 19 August 2004).

<sup>194</sup> Takeyh, 2001.

<sup>195</sup> Ibid.

<sup>196</sup> Chris Hedges, "Qaddafi Reported to Quash Army Revolt." *New York Times*, 23 October 1993, A5 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 24 August 2004).

As a *rentier* state,<sup>197</sup> Tripoli needed income to placate the populace and quell domestic unrest. The exchange of money for complacency was a pattern Qadhafi set early on in his tenure and would ultimately become a major problem under the sanctions regimes.

For 35 years Colonel Qaddafi has used oil to buy allegiance from Libyans. In exchange for their turning a blind eye to the lack of representative government and human rights abuses, Colonel Qaddafi is openhanded in distributing Libya's oil proceeds, sometimes as direct gifts to influential people and tribal leaders, but also in the form of state-financed health care, huge urban development projects, and universal free education. But two decades of American and United Nations sanctions diminished Libyan oil revenues.<sup>198</sup>

As the Libyan population grew and oil prices declined, Qadhafi desperately needed the income that could only come through the petroleum sector and therefore had to make concessions to get multilateral sanctions lifted.<sup>199</sup>

In addition of the failure of the Libyan *rentier* structure to deliver a placated populace, influential strata of Libyan society are calling for changes reflective of the ever evolving globalized world.

An erratic socialist regime and two decades of economic sanctions have squandered Libya's oil wealth and left it a backwater where little else is produced. An increasingly alienated middle class is eager for jobs and visas. And a new foreign-educated, technocratic leadership has embraced private enterprise, globalization and membership in the World Trade Organization as Libya's newest creed.<sup>200</sup>

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<sup>197</sup> A *rentier* state is one that relies upon externally generated monies, or rents, for income instead of extracting income from domestic production. The rents are then distributed to the populace and tend to make up a significant portion of the gross domestic product (GDP). Several Middle Eastern and African states, particularly those with large natural gas or petroleum resources, are considered *rentier* states, including Saudi Arabia, Iran, Libya, and Nigeria. Also typical of *rentier* states is the presence of a non-representative government and a colonial history. Ahmet Kuru, "The Rentier State Model and Central Asian States: The Turkmen Case," *Alternatives: Turkish Journal of International Relations* 1, No.1 (Spring 2002): 52-53.

<sup>198</sup> Geoff D. Porter, "The Faulty Premise of Pre-emption." *New York Times*, 31 July 2004 [information online]; available from *Lexis-Nexis*, <<http://www.nexis.com>> (accessed 24 August 2004).

<sup>199</sup> Ibid.

<sup>200</sup> Carla Anne Robbins, "In Giving up Arms, Libya Hopes to Gain New Economic Life." *Wall Street Journal*.

Among those lobbying for change are Qadhafi's own son, Saif el-Islam el-Qadhafi—the “public face of a Westernizing Libya”—and Prime Minister Shukri Ghanem, an American educated economist.<sup>201</sup> During his recent tenure as Economics Minister then Prime Minister, Ghanem backed the Lockerbie settlement, successfully championed the liberalization of imports, and is pushing for free markets and smaller government.

According to some, the introduction of satellite television and the internet during the nineties opened many Libyan eyes to the level of underdevelopment of their schools, hospitals, and airports.<sup>202</sup> However subtly, the Libyan middle class is pushing for changes and for a better way of life for their children. Many view improved relations with the United States in particular as key to a better future:

Inside their homes, Libyans are more outspoken. A mother of university-age children complains that professors, and textbooks, are 30 years out of date. The biggest complaint, especially among the young, is feeling trapped by a stagnant economy and a country still viewed in places as a pariah state. “I can study, but there are no jobs here when I finish...and it's hard to get a visa to go abroad,” says an 18-year-old. “America has everything, and we want it.”<sup>203</sup>

## **D. THEORETICAL FINDINGS**

Before fully concluding this thesis, it is important to look back to the literature on influence theories and assess how the findings of this case study may validate or contradict the theories of deterrence, compellence, and engagement.

### **1. Deterrence**

The basic cost-benefit element remains critical in any deterrence encounter and this case demonstrates the continued importance of raising costs through punitive measures. Communication also remains critical and an influencing state must continue to *identify the particular action that is unacceptable, signal resolve to punish that behavior, demonstrate resolve, and maintain a credible capability to enact any punishment*. These

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<sup>201</sup> Ibid.

<sup>202</sup> Tyler, *New York Times*.

<sup>203</sup> Ibid.

measures support the target state's process of cost-benefit weighing and should be viewed as necessary to affect successful deterrence.

Despite the debate over the continued applicability of deterrence, this analysis demonstrates that it is still a viable influence strategy, even in the post-post-Cold War era.<sup>204</sup> Deterrence worked in the case of terrorism, but failed in the case of weapons of mass destruction. As discussed in chapter V, the reason for the different outcomes by issue may have been in the way deterrence was applied. With terrorism, the U.S. and UN both applied sanctions to punish Libyan terrorist activity, and the U.S. continually threatened harsher punishments in the absence of Libyan compliance with international demands. A more subtle approach was taken with regard to Libyan WMD activities. Though the U.S. applied the existing punitive measures to the WMD situation, there was not the same international support as in the terrorism case. Further, the U.S. sought to resolve WMD concerns through international diplomatic efforts, such as the Paris Chemical Weapons Convention and other measures. Though important diplomatic initiatives, they lacked the punitive nature of sanctions and may have been the reason for the failure of U.S. deterrence efforts to convince Tripoli to cease WMD production.

## **2. Compellence**

Robert Art's seven elements of compellence are very useful in analyzing a compellence or coercive effort between influencing and target states. As he suggests, not all seven are required for a compellence policy to be successful.<sup>205</sup> As the Libya case demonstrated, the more critical elements of the compellence exchange between the U.S. and Libya were *motivation to prevail*, *communicating a sense of urgency for compliance*, and *adequate international support*. Initially, Qadhafi had the greater motivation to prevail and compellence efforts to have him stop an action underway—namely support to

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<sup>204</sup> The "post-post-Cold War" era is a term coined by Secretary of State Colin Powell. "In the United States, we tend to look at the world in "pre-September 11" and "post-September 11" terms. Post-September 11, it is clear that we live in what Secretary of State Colin Powell likes to call the *post*-post-Cold War world. This is an era defined by a number of realities, foremost among them American primacy, the low probability of great power conflict, and the spread of democracy and free market economics. But it is also a time of continuing regional threats, persisting widespread poverty and the exclusion of too many people from the benefits of globalization, and increasing transnational challenges." U.S. Department of State, Richard N. Haass, Directory, Policy Planning Staff, "U.S.-Russian Relations in the Post-Post-Cold War World," 1 June 2002; available from <http://www.state.gov/s/p/rem/10643.htm>; accessed 20 September 2004.

<sup>205</sup> George, 1991, 81. Art argues the two most critical conditions for successful coercive diplomacy are the target's fear of unacceptable escalation and the asymmetry of motivation in favor of the influencing state, 2003, 371-372.



terrorism and development of chemical weapons capability—failed in the short term. The U.S. government's communicated sense of urgency for Libyan compliance began strong, faded with the first Bush Administration, and then built again in the Clinton and second Bush administrations. This sense of urgency worked in tandem with Libya's declining motivation to prevail to set the conditions for positive behavior change. Finally, international support, more so than domestic support, proved critical. By gaining United Nations support in the case against Libya's terrorist activities, U.S. punitive measures benefited from multilateral sanctions. What U.S. sanctions may not have been sufficient to achieve in the long-term, isolation of the Qadhafi regime, became a long-term reality with UN support.

As described above, compellence efforts by both the United States and United Nations served to set the conditions for behavioral change by Libya; they did not, in and of themselves facilitate behavior change. In fact, after conditions were set in the long-term by U.S. and UN compellence efforts, conditional engagement was used to bring positive change. As such, compellence efforts were a necessary, but insufficient element in Libyan behavior change.

### **3. Engagement**

The Libya case validates the argument set forth by Haass and O'Sullivan that engagement does have a place in mixed influence strategies.<sup>206</sup> The Clinton and George W. Bush administrations both pursued a policy of conditional engagement in conjunction with deterrence and compellence. Their engagement efforts combined positive economic and political incentives with threats of punishment in a road-map style that allowed for trust to be slowly built between the two countries and reciprocal steps to be verified. The analysis here indicates that after punitive conditions had been set over an extended period of time, conditional engagement opened the door to positive Libyan behavior change with regard to both terrorism and weapons of mass destruction.

It is hard to believe that engagement alone, independent of other influence strategies, would have facilitated Libyan behavior change. However, in the long-term, after conditions had been set by compellence efforts, conditional engagement comprised of incremental, positive political incentives, coupled with credible threats, worked to

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<sup>206</sup> Haass and O'Sullivan, 160.

facilitate actual positive changes by the Libyan government. In this case, engagement was a necessary, but insufficient element in positive behavior change.

## **E. POLICY RECOMMENDATIONS**

It is important that the United States be able to successfully influence rogue state behavior. Not only do rogue states pose a near to long term threat to U.S. interests, successfully influencing them could prevent the United States from having to resort to war to influence international outcomes. What can policy makers glean from this analysis to help them in formulating future influence efforts? This thesis leads to three recommendations:

(1) *Sanctions can be effective in setting conditions for behavior change in rogue states; however, sanctions should be as multilateral as possible, preferable with United Nations backing.* As demonstrated in the Libya case, sanctions were effective in isolating Libya, thus setting the conditions for behavior change. Because sanctions or other punitive measure can be critical to setting initial conditions, it is important that they be as effectively applied as possible. One of the best ways to ensure effective application is through a multilateral approach. With increasing globalization and different approaches to managing threats (engagement vs. coercion), unilateral U.S. sanctions alone may not be sufficient to isolate a regime economically and politically.

(2) *If punitive measures are used to set conditions for behavior change, these measures may require extended periods of time to be effective.* The primary punitive measures used by the U.S. against Libya were economic and diplomatic sanctions. U.S. sanctions had been applied for 13 years and UN sanctions for seven years before Libya took the first steps towards meeting international demands regarding their support for terrorism.

(3) *Sticks alone may not result in positive behavior change by rogue states. After appropriate conditions have been set, a carefully crafted engagement strategy should be used in conjunction with compellence and deterrence to facilitate behavior change.* With Libya, positive steps towards first renunciation of terrorism and later WMD did not happen until the U.S. modified its influence strategy and pursued limited conditional engagement. With rogue states, engagement should be conditional, requiring very

specific and incremental reciprocal steps in exchange for positive incentives. Pursuing this kind of engagement allows for verification of actions and trust building by both sides. Finally, it is important to remember that engagement was not pursued by the U.S. until the compellence and deterrence policy had set the conditions for Libyan behavior change.

## **F. CONCLUSION**

U.S. influence strategy towards Libya was a short term failure and a long term success. The compellence and deterrence policies established under President Reagan and strengthened by later administrations served to isolate Libya economically and diplomatically. U.S. compellence and deterrence measures were oriented towards increasing the cost of Libyan support of terrorism and indigenous WMD programs through military strikes and economic and diplomatic isolation. Tripoli's own culpability in the bombings of Pan Am 103 and UTA 772 served to work against any efforts to remove sanctions by galvanizing the international community against Libyan support to terrorism. The Libyan government's subsequent unwillingness to meet United Nation's demands regarding support of terrorism in general, and the Pan Am and UTA bombings in particular, strengthened and extended UN sanctions, resulting in eleven years of multilateral isolation. This isolation had major implications for the Libyan economy and stirred domestic discontent.

The cumulative effect of the U.S. and UN sanctions was to set the conditions for Libyan behavior change. This change began with the Clinton Administration's introduction of limited conditional engagement. After the Clinton Administration acceded to Libyan demands that the Pan Am 103 trial be held in a neutral third country, the Libyan government handed over the two suspects for trial. This was the beginning of many small but concrete steps towards Libya's reconciliation with the United States and the international community. The George W. Bush Administration, benefiting from years of Libyan isolation and the positive response to conditional engagement, continued the engagement in an incremental fashion. Backed up by credible, post-9/11 threats of forceful intervention, the Bush Administration clearly laid out the steps necessary for the removal of U.S. sanctions: acknowledgement of responsibility for the Pan Am 103 bombing and payment of restitution to victim families, concrete evidence of a

renunciation of terrorism, and renunciation and disclosure of weapons of mass destruction programs. Libya has taken actionable steps to demonstrate a change of policy concerning both terrorism and weapons of mass destruction. Currently the U.S. and Libyan governments are in diplomatic discussions that will likely result in the removal of all remaining U.S. sanctions, including the release of \$1.25 billion in frozen Libyan assets and direct air service between the two countries.<sup>207</sup> Though Libya remains on the U.S. State Department's list of state sponsors of terrorism, Secretary Powell indicated they are making progress towards removal. Speaking of the future and referencing the ongoing policy of incrementalized engagement, Powell is hopeful,

...frankly, we're impressed with what they have done in recent years: resolved the Pan Am 103 case, turned in all their weapons of mass destruction....We've laid out a clear roadmap for them of what we expect them to do in order to move toward full normalization of relations between the United States and Libya....The Libyans have been forthcoming. We have been forthcoming....I think it's in our interest to receive Libya back into the international community.<sup>208</sup>

## **G. THE WAY AHEAD**

As Secretary of State Powell stated, it is in the U.S. interest to bring Libya in from the cold. Reconciling the relationship between the U.S. and Libya and reforming Qadhafi through other means than coercive war sends a message to the international community that the U.S. has more than one way to manage rogue states and will reward positive behavioral changes. To stay on the road to reconciliation, the U.S. should stick to its slow but steady road-map approach to engagement and most importantly remain true to the strategy of using promised carrots and threatened sticks. This will maintain the credibility of current and future influence efforts and allow for trust between the states to grow. Finally, the U.S. government should tout this reconciliation with Qadhafi in public

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<sup>207</sup> U.S. Department of State, "U.S.-Libyan Diplomatic Relations," 23 April 2004; available from <http://www.state.gov/r/pa/prs/ps/2004/31766.htm>; accessed 5 September 2004. As of 23 April 2004, the Bush Administration's most recent easing of sanctions against Libya, two punitive measures remained: the freezing of Libyan assets, estimated at \$1.25 billion and the lack of direct air service between the two countries. White House, "U.S. Eases Economic Embargo Against Libya," 23 April 2004; available from <http://www.whitehouse.gov/news/releases/2004/04/20040423-9.html>; accessed 12 July 2004.

<sup>208</sup> U.S. Department of State, "Interview with Mr. Mohammed and Mr. Hudson of Reuters," 26 April 2004; available from <http://www.state.gov/secretary/rm/31813.htm>; accessed 6 September 2004.

and diplomatic circles. In so doing, progress may be made in facilitating similar behavior change among other rogue regimes.

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## **APPENDIX: BRIEF OVERVIEW OF LIBYAN HISTORY AND QADHAFI'S FOREIGN POLICY**

### **A. BRIEF HISTORICAL OVERVIEW**

The history of the area known as Libya today is punctuated by Arab conquest and Islamization in the seventh century, Ottoman rule of the Maghrib beginning in the sixteenth century, and the establishment of the Sanusi religious order. The Sanusi order, founded by Muhammad ibn Ali as Sanusi, was a fusion of Sufi mysticism and the doctrinal adherence of orthodox Islam. The Sanusi religious order was significant in Libya in at least two ways. First they had a lasting, unifying effect on the Bedouin tribes and second they were the order from which came the first leader of independent Libya, King Idris I.

In 1911, the Ottomans clashed with Italians, who had set their eyes on Libya as a colonial prize, however secondary to other North African colonies.<sup>209</sup> The Ottomans, being engaged elsewhere and on the verge of collapse, sued for peace with the Italians in 1912.<sup>210</sup> Though briefly independent, two of the three regions composing modern-day Libya, Tripolitania and Cyrenaica were formally annexed by Italy. It is fair to say the Italians did not fully comprehend the battle ahead of them. The Bedouin tribes of the newly colonized region did not recognize the mandates of the 1912 Treaty of Lausanne, considering it a betrayal into the hands of infidels, and continued to fight, especially in Cyrenaica.<sup>211</sup> The Sanusis proved the most organized resistance to the Italians; their first war, the Italo-Sanusi war (1914-1917) was incorporated into World War I. Idris became leader of the Sanusis in 1916 and through British assistance, negotiated a truce with the Italians.

The Italians ruled Tripolitania and Cyrenaica as separate colonies and their policies in each differed. In 1920 the Italians recognized Idris as emir of Cyrenaica, acknowledging his political and religious leadership in that region; his leadership was

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<sup>209</sup> *Libya: A Country Study* (Washington, DC: Library of Congress [1989]), 23-24.

<sup>210</sup> It is interesting to note that Ataturk (Mustafa Kemal) was among the Ottoman officers organizing Arab tribes in resistance to the Italian invasion of Tripoli. *Libya: A Country Study*, 24.

<sup>211</sup> *Ibid.*, 24.

extended to Tripolitania in 1922. As the government in Italy changed, so too did their policies toward Libya. Mussolini's policies in Libya were two-fold: "demographic colonization" and improvement of economic and transportation infrastructure. Like the French in Algeria, Mussolini encouraged Italians to move to Libya to relieve Italian unemployment and overpopulation problems; likewise he encouraged the development of economic and transportation infrastructure to support the Italian-oriented economy in northern Libya.<sup>212</sup> One of the most damaging policies to the Italian cause in Libya was the redistribution of "underutilized" Bedouin grazing lands to new Italian settlers. During World War II, Idris joined forces with the British in the hopes of achieving independence thereafter. After much post-war wrangling over Libya's future, the United Nations finally decided to transition the three regions of Tripolitania, Cyrenaica, and Fezzan to independence as a single sovereign state by 1952.

The United Kingdom of Libya declared its independence on December 24, 1951 with King Idris I as its chief of state. King Idris was pro-Western in his foreign policy and opened the country to U.S. and British military basing. Both western countries provided developmental aid until the discovery of oil in 1959. It is noteworthy that during his rule, King Idris I was not active in the key Arab issues of the day, including the Arab-Israeli conflict.<sup>213</sup> This lack of activism would become a problem for King Idris I during the mid-sixties and especially following the 1967 Arab-Israeli war. The youth of Libya were taken with Nasser's Arab nationalism and agitated against Western influence in their country. In addition to the youth of Libya, a growing urban elite was increasingly resentful of King Idris' pro-Western and conservative-Arab leanings.<sup>214</sup> This disillusionment with the King's foreign policy coupled helped establish the foundation for Qadhafi's revolution and usher in the Free Officer Movement's *coup d'etat* of September 1969.

## **B. LIBYAN FOREIGN POLICY**

Upon coming to power in 1969, the Free Officers Movement formed a 12-member Revolutionary Command Council (RCC), headed by 27-year-old Qadhafi,

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<sup>212</sup> Ibid., 30.

<sup>213</sup> *Libya: A Country Study*, 40.

<sup>214</sup> Ibid., 41.



whose purpose was running the government. The RCC's new policies were a clear break from those pursued by King Idris. The RCC was against all forms of colonialism and imperialism; anti-Western, anti-Soviet, officially non-aligned, they were firmly dedicated to both Arab unity and the support of Palestine.

In his book *Qaddafi, Terrorism, and the U.S. Attack*, Brian Davis argues that Qadhafi's foreign policy is fueled by seven motivations: regime survival, increasing the power and prestige of Libya throughout the world, Islam, pan-Arabism, hatred for Israel, anti-imperialism, and finally his revolutionary zeal.<sup>215</sup> These motivations are clear in Qadhafi's foreign policy ventures; each will be briefly examined below.

*Regime Survival.* Qadhafi took specific and violent measures to squelch both internal and external dissent; most notoriously he ordered the killing of many anti-regime Libyan expatriates, targeting those in Western Europe and America in particular.

*Increasing the Power and Prestige of Libya.* This he sought to do through the exportation of his revolution and his political philosophy, as articulated in *The Green Book*, and through support of insurgent and terrorist groups throughout the world. In particular Qadhafi's activities in Africa and the Mediterranean Basin are assessed to be drive from his desire to gain regional power.<sup>216</sup>

*Islam.* Though Qadhafi used some level of Islamic rhetoric at the outset of his revolution, he began to shift away from Islam as a foundation as he increasingly embraced leftist ideologies.<sup>217</sup> Some of his early activities in Africa, however, were fueled by a desire to spread Islam.

*Pan-Arabism.* It is clear by the formation of the revolutionary Free Officers Movement and the subsequent Revolutionary Command Council that Qadhafi and his cohorts were highly influenced by Nasser's 1952 revolutionary overthrow of the Egyptian monarchy and subsequent Arab nationalist movement. Qadhafi took up the banner of Pan-Arabism and is considered to be one of its greatest proponents. Qadhafi's

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<sup>215</sup> Brian L. Davis, *Qadhafi, Terrorism, and the Origins of the U.S. Attack on Libya* (New York: Praeger, 1990), 21.

<sup>216</sup> *Libya: A Country Study*, 217.

<sup>217</sup> Davis, 15.

vision of Arab unity was the formation of a loose federation similar to the U.S. or U.S.S.R. Qadhafi is quoted as saying,

...it is ironic to see that Americans and Soviets, who are not of the same origin, have come together to create united federations, while the Arabs, who are of the same race and religion, have so far failed to realize the most cherished goal of the present Arab generation.<sup>218</sup>

Qadhafi attempted to actualize this vision of a united Arab federation multiple times, including mergers with Egypt, Syria, and Morocco—none of which proved successful. One of Qadhafi's primary arguments for Arab unity was the belief that without a unified front, Arab nations would not be able to defeat Israel.<sup>219</sup>

*Hatred for Israel.* Hatred for Israel was likely one of the strongest motivations guiding Qadhafi's foreign policy decision-making. Though unable to defeat the Israelis militarily, Libya pursued other methods of opposing Israel, including terrorism, propaganda, and diplomacy.<sup>220</sup> With the financial assistance of Saudi Arabia, Qadhafi was able to diminish Israeli influence throughout Africa—his perceived “sphere of influence”; Israeli isolation in Africa led to their subsequent isolation in the United Nations. In Africa and elsewhere, Qadhafi supported other revolutionary, terrorist, and insurgent movements, including the PLO and the Palestinian rejectionist front in their efforts to destroy Israel.

*Anti-Imperialism.* Qadhafi associated British and U.S. influence in Libya with Italian colonialism and imperialism. Though the British had already left their military posts in Libya prior to the revolution, the U.S. had not; the U.S. withdrew from Wheelus Air Base by June 11, 1970—a date that subsequently became a Libyan national holiday.<sup>221</sup> Another legacy of colonial involvement in Libya was through the oil industry. Qadhafi began nationalizing the oil industry in 1971 with British Petroleum as

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<sup>218</sup> *Libya: A Country Study*, 218.

<sup>219</sup> *Ibid.*, 217.

<sup>220</sup> Davis, 9.

<sup>221</sup> *Libya: A Country Study*, 46.

his first target; by 1974 he had nationalized 60% of Libya's domestic oil production.<sup>222</sup> In another effort to purge the colonial influence in Libya, Qadhafi confiscated properties owned by Italian expatriates and expelled them from the country.

*Revolutionary Zeal.* Qadhafi manifested his zeal for the "Green Revolution" through support of revolutionary and insurgent groups around the world. In the name of the revolution, he viewed these groups as legitimate means of fomenting change in governments.

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<sup>222</sup> Qadhafi did not nationalize the entire oil industry due to his need for foreign technical expertise. Ibid., 50.

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